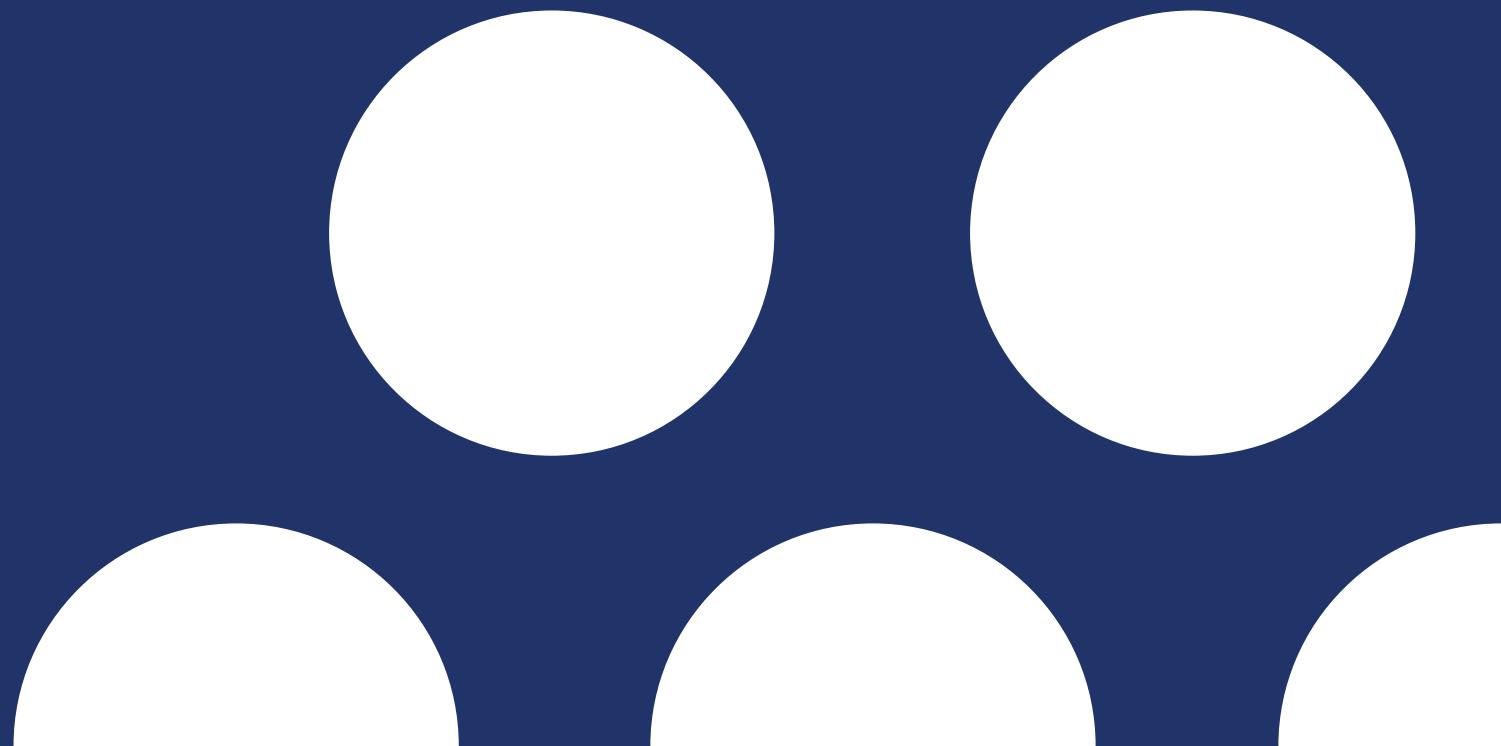




2018 ANNUAL AND CORPORATE RESPONSIBILITY REPORT

Together always was,  
and always will be,  
a better way.

Live Mutual®



# About MassMutual

MassMutual is a leading mutual life insurance company that is run for the benefit of its members and participating policyowners. MassMutual offers a wide range of financial products and services, including life insurance, disability income insurance, long-term care insurance, annuities, retirement plans and other employee benefits.

For more information,  
visit [www.MassMutual.com](http://www.MassMutual.com).





“ ”

*Strong demand for our holistic financial solutions for both individuals and institutions drove revenue to a record \$32 billion last year.*

## Dear Fellow Policyowners and Customers,

If one thing has been constant in MassMutual’s nearly 168 years, it’s change – embracing it, adapting to it, and helping our policyowners and customers succeed throughout it.

In our company’s early years, groundbreaking innovation meant installing phones and buying typewriters. Growing our customer base meant serving New England farmers, steamship workers, and Gold Rush pioneers headed west. Today, adapting to change means investing in data analytics, tapping into global markets, and more.

Yet, while the world continues to shift dramatically, our pledge to our customers has stayed the same: to provide stability and security in a world of change and uncertainty. That mission is at the heart of what we call Live Mutual: a vision of a world where stronger ties between people – from friends and family to coworkers and even strangers – help us navigate life’s most difficult moments. In 2018, we were proud to advance that commitment – and put ourselves in a stronger position to have a lasting impact on the lives of the people we serve.

### A Strong Foundation for the Future

As a mutual company, we measure our progress not on where our share price ended up for the year or whether we beat analysts’ estimates. We measure it on how much closer we are to helping people build a more confident future.

We did that in 2018 in an environment that was more volatile than we have seen in some time. While we continued to benefit from historically low unemployment, solid wage growth, and modest inflation pressure, trade wars increased uncertainty, and slowly rising interest rates helped roil the markets. Geopolitical developments like Brexit, shifting diplomacy with North Korea, and growing populist movements all exacerbated the uncertainty.

In this increasingly unsettled environment, we once again provided a measure of certainty and stability. Strong demand for our holistic financial solutions for both individuals and institutions drove revenue to a record \$32 billion last year, while helping to increase the insurance protection we provide to more than \$700 billion, giving people the security and peace of mind to face life’s uncertainties. Along the way, we also helped more than half a million new people on their path to a more secure financial future, whether it was as a breadwinner protecting his or her family, a worker looking to save a few extra dollars for retirement, or a retiree receiving a pension payment.

These commitments were supported by a company as financially strong as ever, as we increased our total adjusted capital to nearly \$20 billion and maintained among the highest ratings of any company in any industry.<sup>1</sup> This same stability enabled us to approve an estimated \$1.72 billion dividend payout in 2019 to our eligible participating policyowners – our highest payout ever and the 151st consecutive year we have paid a dividend.<sup>2</sup>

Most importantly, we continued to fulfill our commitments to you, delivering more than \$5.3 billion in benefits – with real dollars going to real people. Young adults. Families. Business owners. Retirees. Nothing makes me prouder than the fact that we helped so many in 2018 – and laid a strong foundation to help even more in the years ahead.

### Adapting to a Rapidly Changing World

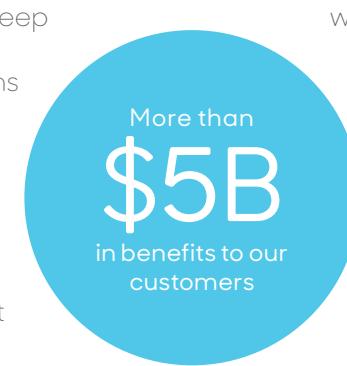
As we operate from this position of strength, we are constantly assessing what we must do to build on our success and stay competitive in a rapidly changing world. In 2018, we continued on our path to stay nimble, while seizing opportunities to position us strongly for the long term.

One of our biggest priorities continues to be responding to the biggest trend reshaping our world: digital transformation. We are seizing the opportunities that technology has brought to make our solutions more affordable and accessible to more people.

That's why we have expanded our use of data analytics to provide protection in a fraction of the time, identify better ways to keep your assets safe, and help you make the best real-time decisions about your finances. It's also why we are providing our dedicated network of advisors with digital capabilities to serve you better, and are creating a seamless digital experience for purchasing insurance – from the time you first apply to when we deliver a claim.

Yet as we adapt to immediate trends, we have also taken steps to maintain our long-term performance so we can continue investing in our business and honor our commitments decades from now. As such, we have begun to evolve our approach to what have long been our key strategic differentiators – our international insurance and asset management businesses – by finding successful and innovative partners to help maximize their value.

The 2018 sale of our majority interest in MassMutual Japan to Nippon Life and sale of MassMutual Asia to Yunfeng Financial Group and several Asia-based investors are primary examples. Both transactions enable us to benefit from maintaining an ongoing interest in strongly positioned entities, as well as through potential strategic partnerships that will yield additional opportunities over time. We expect to reap similar advantages with our transaction announced last October, in which OppenheimerFunds, Inc., our retail asset management affiliate, will combine with Invesco Ltd., to form one of the largest asset management firms in the world. Expected to



close in 2019, the transaction will give us the largest ownership stake in the combined firm, with expanded global scale, greater diversity of offerings, and additional capital that will increase our financial strength.

Overall, these transactions will help us maximize our investments in these businesses, which have delivered strong results across various market cycles and provided excellent value to our policyowners.

Moves like these – and the opportunities they bring – are why I'm so confident in MassMutual's future. Still, one thing makes me most confident of all: our people. We've always known our strategy would only work if our people are empowered to do their best. So our approach is founded on one key principle: people who are at their best in life are at their best at work.

From fostering diversity and inclusion to advancing continuous improvement and learning, we are putting our employees in the best position to succeed. We did this in 2018 by modernizing and expanding our benefits to give our employees greater choice and flexibility, as well as announcing plans to expand our presence in our home state – recommitting to the city we have called home since our founding and establishing a new Boston campus. This will create an overall environment that fosters greater collaboration and innovation for generations to come.

And finally, investments like this are not just limited to our workforce and workplace – they extend to our communities as well. We achieved major milestones on the way to improving the places where we live and work, from reaching



more than a million students with financial and life lessons through our FutureSmart program to giving away more than \$700 million in insurance protection through our LifeBridge program.<sup>3</sup> Our ongoing work through these programs is helping us build communities where everyone has the opportunity to flourish.

### A Live Mutual Future

Taken together, our ongoing progress puts us in a strong position to continue what has driven us since the beginning: helping people secure their future and protect the ones they love.



When I look back on the 168 years since MassMutual was founded, I take great pride in knowing this purpose has always been at the heart of how we see the world and our place in it.

I am proud of the investments we have made in 2018 to help make living mutually a reality for our policyowners and customers, and incredibly excited for what we will accomplish in the new year and beyond.

Thank you for being part of the MassMutual community. We look forward to working with you to advance a future where we can all Live Mutual – this year and for many years to come.

Sincerely,

Roger W. Crandall  
Chairman, President, and Chief Executive Officer

<sup>1</sup> Financial strength ratings for MassMutual and its subsidiaries, C.M. Life Insurance Company and MML Bay State Life Insurance Company, are as follows: A.M. Best Company, A++ (Superior); Fitch Ratings, AA+ (Very Strong); Moody's Investors Service, Aa2 (Excellent), and Standard & Poor's, AA+ (Very Strong). Ratings are as of March 1, 2019, and are subject to change.

<sup>2</sup> Dividends are determined annually, subject to change, and not guaranteed.

<sup>3</sup> MassMutual pays the premiums.



# Why MassMutual



## Policyowners & Retirement Plans

Policyowners pay insurance premiums that MassMutual uses to:

- Cover the cost of providing protection
- Meet current benefit obligations
- Invest to pay future benefits and generate future value
- Retirement plan contributions are invested to help secure future retirements

## Diversified Investment Strategy

Through a disciplined investment process that supports long-term investment performance and prudent risk diversification, MassMutual invests in:

- A variety of asset classes to help meet policyowner commitments
- Strategic operating businesses that capitalize on core capabilities while generating complementary returns

## Financial Strength & Dividends

Our earnings help:

- Pay dividends to eligible participating policyowners
- Contribute to capital and surplus
- Support business reinvestment  
(Dividends are not guaranteed.)

## The Result

A framework focused on delivering:

- Competitive risk-adjusted returns
- Diversified product offerings
- Industry leadership in financial strength
- Dividends
- Quality service



## PERFORMANCE

Growing in Core Protection  
and Wealth Management

*Despite market volatility, geopolitical uncertainty, and regulatory changes creating pressures, 2018 was another successful year for MassMutual. Continued growth in core protection product and wealth management sales, a highly diversified investment strategy, and a productive distribution network helped MassMutual maintain its financial strength for the benefit of policyowners and customers.*

Industry-leading and historically high sales in core businesses resulted in 24 percent top-line revenue growth, a reflection of the company's attractive portfolio of products and services. Highlights included:

- Industry-leading weighted<sup>1</sup> whole life insurance sales of \$613 million
- Record sales from our annuity business, topping \$5 billion in 2018, nearly doubling over prior year
- \$24 billion in sales through MML Investors Services, MassMutual's broker-dealer and registered investment adviser offering investment and wealth management solutions

From a bottom-line perspective, our primary earnings measure as a mutual company – net gain from operations before policyowners' dividends and taxes – was \$1.9 billion, consistent with the year before, driven by continued growth in all insurance business lines, in addition to favorable investment income.

Statutory surplus and total adjusted capital – the two key measures of a company's overall financial strength – remained very strong. Surplus ended 2018 at \$15.6 billion, while total adjusted capital grew to a record high of \$19.9 billion. Together they position MassMutual with enhanced financial strength, flexibility, and resources for the future.

This enduring strength and stability contributed to the approval of an estimated payout of \$1.7 billion in policyowner dividends<sup>2</sup> for 2019 – the highest in company history – upholding our commitment to operate for the benefit of eligible participating policyowners. In addition, a total of \$5.3 billion in insurance and annuity benefits were paid in 2018, as we delivered on our purpose to help people secure their future and protect the ones they love.

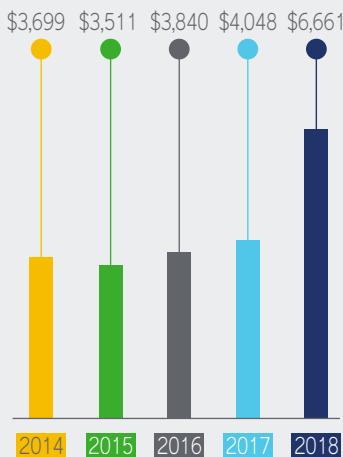
# Performance Review



## Forward-Looking Risk Management

MassMutual's strong risk management process provides a disciplined and forward-looking enterprise-wide approach, ensuring risk views are included in key strategic and operational decisions. We take a broad and multifaceted approach to identifying risk by analyzing trends in the business environment, evaluating key risk metrics, and assessing the capabilities and risks of key competitors. This allows us to identify possible risk events, prioritize them, and proactively prepare and manage for their possible occurrence – all to help protect the financial interests of our policyowners.

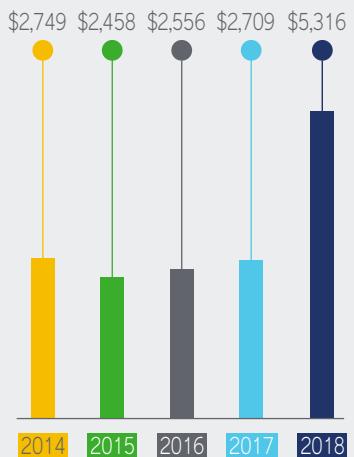
**U.S. Insurance Sales**  
(In Millions)



MassMutual insurance sales included record-breaking contributions from annuities, as well as continued growth in other protection products. Our product offering reflects a focus on prudent risk management and creating long-term value and solutions for our policyowners.

U.S. Insurance sales include individual life insurance, disability income insurance, long-term care insurance, and annuities.

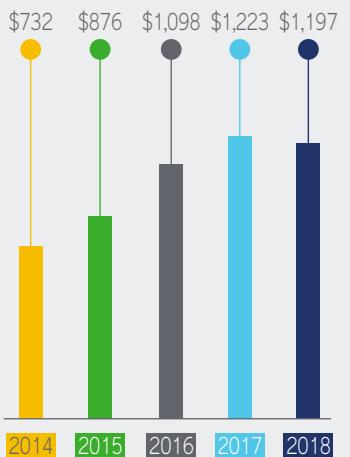
**Annuity Sales**  
(In Millions)



MassMutual annuity sales continue to grow, nearly doubling in 2018, reflecting our competitive offering in the fixed and income annuity markets.

Annuity sales include individual fixed, income, and variable annuities.

**U.S. Whole Life Sales**  
(In Millions)



MassMutual is an industry leader in whole life sales, with sales exceeding \$1 billion for the third consecutive year. The whole life product suite is designed with flexibility to meet market needs and create long-term value for our participating policyowners.

These consolidated results of Massachusetts Mutual Life Insurance Company also include its U.S.-domiciled, wholly owned subsidiaries: MML Bay State Life Insurance Company and C.M. Life Insurance Company. Prior-year results have been restated to include additional products.

**Workplace & Institutional Sales**  
(In Billions)



Workplace and institutional businesses continue to generate strong sales volumes, with solid results across a broad product line averaging nearly \$20 billion in combined sales in recent years. MassMutual maintains a meaningful presence in the pension risk transfer business, with sales averaging \$2 billion annually.

Workplace sales include defined contribution plans in addition to disability and life insurance products sold at the workplace. Institutional sales include defined benefit plans, bank-owned life insurance, investment-only and pension risk transfer solutions, and funding agreements.

<sup>1</sup> Weighted sales are based on annualized new premium with single premium payments weighted at 10 percent.

<sup>2</sup> Dividends are determined annually, subject to change, and not guaranteed.

# Performance Review

## Summary of Financial Position (Consolidated statutory basis, in Millions)

<b>As of December 31:</b>	<b>2018</b>	<b>2017</b>
Short-term investments and cash	\$ 4,733	\$ 3,939
Bonds	101,504	94,870
Other invested assets	70,125	70,366
Total invested assets	\$ 176,362	\$ 169,175
Other assets	8,048	7,095
Separate account assets	70,431	75,505
<b>Total assets</b>	<b>\$ 254,841</b>	<b>\$ 251,775</b>
Policyowners' reserves	141,073	133,547
Policyowners' dividends	1,713	1,601
Other liabilities	22,601	22,109
Asset valuation reserve	3,413	3,308
Separate account liabilities	70,431	75,505
Total liabilities	\$ 239,231	\$ 236,070
<b>Surplus</b>	<b>\$ 15,610</b>	<b>\$ 15,705</b>
Total liabilities and surplus	254,841	251,775

### STEADY GROWTH:

Total life company assets continue to grow steadily, a result of strong sales from MassMutual's attractive product portfolio

### STRONG SURPLUS:

Surplus remained strong at over \$15 billion, while total adjusted capital increased 14 percent to nearly \$20 billion

## Consolidated Statutory Results<sup>1</sup>

### Dividends to Policyowners<sup>2</sup>

(In Millions)



Our 2018 dividends to policyholders exceeded \$1.5 billion for the fifth year in a row, affirming MassMutual's dedication to paying one of the highest dividends in the industry while maintaining financial strength.

<sup>1</sup>These are consolidated statutory results of Massachusetts Mutual Life Insurance Company and its U.S.-domiciled life insurance subsidiaries: C.M. Life Insurance Company and MML Bay State Life Insurance Company.

<sup>2</sup>Dividends are determined annually, subject to change, and not guaranteed. For more information, visit [MassMutual.com/Financials](http://MassMutual.com/Financials).

### Total Adjusted Capital (In Billions)



Total adjusted capital grew 14 percent to a record \$19.9 billion, reflecting strong operating results and prudent capital management. This level of capital reinforces our strong financial foundation, providing flexibility and the ability to manage for optimal long-term results.

### Life Company Assets (In Billions)



Life company assets reached an all-time high of \$255 billion. Consistent growth in recent years indicates our policyholders and customers recognize the value of doing business with a mutual company, and helps ensure strength, stability, and security in the future.

# Performance Review

## Summary of Operations (Consolidated statutory basis, in Millions)

As of December 31:	2018	2017
Premium income	23,262	17,762
<b>Net investment income</b>	<b>8,087</b>	<b>6,866</b>
Fees and other income	1,135	1,485
<b>Total revenue</b>	<b>\$ 32,484</b>	<b>\$ 26,113</b>
Policyowners' benefits	23,695	20,646
Increase in policyowners' reserves	3,056	(337)
Commissions and other expenses	3,869	3,957
Total benefits and expenses	\$ 30,620	\$ 24,266
Net gain from operations before dividends and taxes	1,864	1,847
<b>Dividends to policyholders</b>	<b>1,695</b>	<b>1,569</b>
Net gain from operations before taxes	\$ 169	\$ 278
Federal income tax (benefit) expense	(159)	(290)
Net gain from operations	\$ 328	\$ 568
Net realized capital gains	(1,044)	(431)
Net income	\$ (716)	\$ 137

## Enterprise Measures

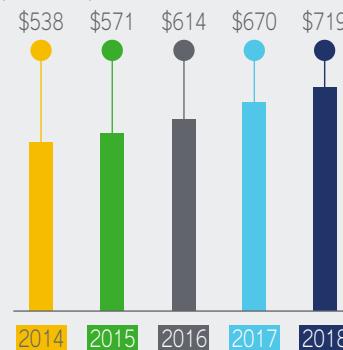
### Assets Under Management<sup>1</sup> (In Billions)



The financial assets managed by MassMutual and its subsidiaries ended 2018 at \$702 billion, reflecting the sales of its wholly owned international subsidiaries, MassMutual Japan and MassMutual Asia, as well as lower assets under management in its asset management subsidiaries due to market declines.

<sup>1</sup> Assets under management include assets and certain external investment funds managed by MassMutual subsidiaries, including Oppenheimer Funds, Inc. and Barings.

### Life Insurance in Force (In Billions)

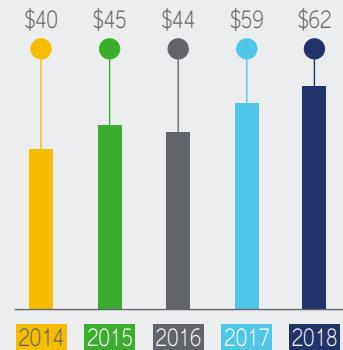


Life insurance in force represents the amount of protection the company has issued and outstanding. This measure continues to grow, up 7 percent over prior year due to strong sales and retention rates, a testament to MassMutual's attractive product portfolio.

Net investment income increased over **\$1.2 billion, or 18%** over prior year, reflecting MassMutual's well-diversified investment strategy

- Revenue exceeded **\$32 billion,** a record high, reflecting MassMutual's offering of holistic financial solutions for both individuals and institutions
- Dividends to policyholders topped **\$1.5 billion** for fifth consecutive year, evidence of MassMutual's commitment to its eligible participating policyholders

### Premium & Other Deposits (In Billions)



Results in 2018 were driven by growth across our varied businesses, including domestic life insurance, our Institutional offerings, and the asset management companies.

# Investment Philosophy & Strategy

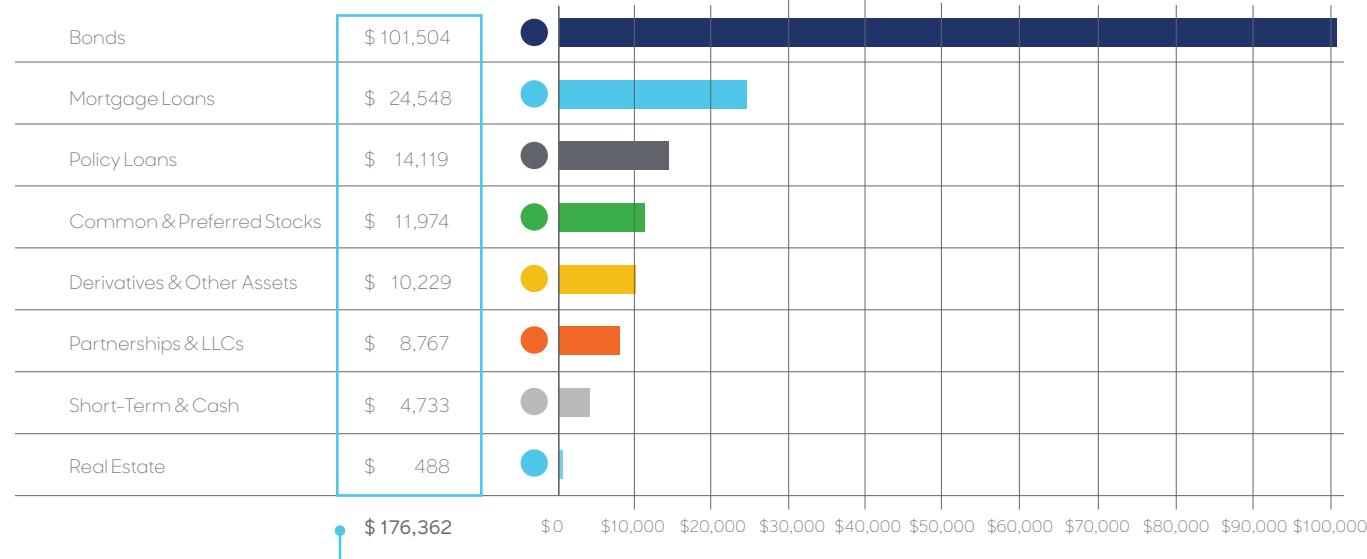
We believe that the best way to help ensure that we'll be there for policyowners and their loved ones is through the consistent application of a long-standing investment philosophy. Our goal is to generate competitive long-term results for policyowners, while preserving the ability to withstand downturns in financial markets. We extend this approach through the way we manage our General Investment Account (GIA), which comprises the assets we use to meet our obligations to our policyowners. Our focus on long-term, risk-adjusted returns and the consistent application of our investment strategy has resulted in a portfolio that has performed well in the past and is positioned to do so in the future.



## Total Invested Assets

December 31, 2018

(In Millions)



**\$176,362**  
TOTAL  
INVESTED  
ASSETS

Policy loans are loans taken by policyowners against the cash surrender value of their policies and, as such, are secured by the cash surrender value of those policies.

# Investment Philosophy & Strategy



**\$101,504  
TOTAL  
BONDS**

## Diversification

We diversify the composition of the GIA by investing in a variety of asset classes in order to reduce the impact of negative events on our portfolio. MassMutual further diversifies by investing in strategic partnerships in international insurance and asset management businesses.

## Prudent Security Selection

Our investment professionals conduct regular, thorough reviews of both current and potential holdings to ensure that they meet our criteria for inclusion in the GIA.

## Relative Value

A relative value assessment of risk versus return informs our decision-making process as we consider various opportunities and their prospective impacts on GIA performance.

### Bonds

December 31, 2018  
(In Millions)



\*Residential mortgage-backed securities (RMBS), commercial mortgage-backed securities (CMBS), and asset-backed securities (ABS)

A photograph of a woman with long brown hair, wearing a brown bracelet and a tattoo on her forearm, adjusting a red bicycle helmet on a young girl's head. The girl is looking up at the woman with a smile. In the background, another child wearing a blue helmet is sitting on a bicycle. The scene is set on a residential street with houses and cars in the background.

## POLICYOWNERS

Creating a Bright Future for  
Those Who Depend on Us

*Since our founding in 1851, we've had a single purpose: to help people secure their future and protect the ones they love. More than 165 years later, that commitment remains our guiding principle.*

# REACHING NEW MARKETS



**5 in 10**

Americans have supported someone in their community during a time of financial stress

**9 in 10**

believe that it is important to look out for one another

"My father opened the shop in '77," says Christina Seid, a third-generation Chinese American, who took over her family's ice cream shop in New York's Chinatown after graduating from college. Under her leadership, the Chinatown Ice Cream Factory has grown 35 percent while remaining family-run.

Seid's family is one of two featured in a new advertising campaign focused on the Chinese American and South Asian markets, MassMutual's fastest-growing cultural segments. Commercials sharing Seid's story aired in English, Mandarin, and Cantonese on major Asian American channels in all key metro areas. The ads celebrate relationships of interdependence, underscoring that when we depend on each other, we are not only more secure, but life is also happier and more fulfilling. "My father built something that I can carry on," Seid says. "And I'm going to make it last."



[Click here to see Christina's story.](#)

Source:  
The MassMutual 2018 Financial Wellness and Community Involvement Study

Celebrating  
Mutuality

# Celebrating Mutuality



## Taking the Pulse of American Families

MassMutual has focused on families since our earliest days, so we like to know what they are thinking and feeling. In 2018, we commissioned our fourth “State of the American Family” study, a nationally representative survey of American families to better understand how they view the American Dream and the financial aspects involved. For the first time this year, we studied 11 different family structures, including African American, Asian Indian, Chinese American, Korean American, Latino, LGBTQ, Military, families with children with special needs, and members of the “Sandwich Generation” (adults caring for parents and children at the same time). The survey indicated that the concept of the American Dream has increasingly centered on financial security since our survey five years ago with American families.

The study revealed that for today’s families, achieving the American Dream involves three main priorities:

- Achieving financial security
- Enjoying a comfortable retirement
- Helping their children get an education

Yet fewer than half of families surveyed believe they can meet these priorities. The survey’s findings include new insights and guidance that all families can use to make better financial decisions and put themselves on track to achieve their dreams.



## Added Benefits for Families with Special Needs

Since 2004, MassMutual’s SpecialCare program has helped families with members with special needs by providing access to information, advice, and financial products and services that can help improve the quality of life for people with disabilities and other special needs. The program is offered through MassMutual financial professionals who have received advanced training and information in estate and tax planning concepts, special needs trusts, government programs, and the emotional dynamics of working with families caring for a person with special needs.

In April 2018, we were the first in the industry to make whole life insurance coverage available to individuals with three of the most common disability diagnoses: Down syndrome, autism, and cerebral palsy. This whole life insurance policy provides permanent coverage at a guaranteed fixed premium with guaranteed cash value growth, and a guaranteed death benefit.



## Serving Those Who Serve Our Country

MassMutual recognizes the sacrifices that servicemembers and their families make to protect our country. To offer these individuals financial products that meet their needs when active service has ended, MassMutual has become a participating company of the Department of Veterans Affairs Servicemembers’ Group Life Insurance (SGLI) conversion program.

This initiative allows servicemembers, veterans, and dependent spouses to convert their existing policy to a whole life insurance policy after separating from service. MassMutual employees and financial advisors championed this new offering. “We are a company that supports military members and families,” said Dan Vindigni, Chair of MassMutual’s Armed Forces Veterans and Families Business Resource Group. “Helping military members with an aspect of transition from military life is one way of serving those who serve our country.”



of American families consider paying for their children’s education a financial priority.



## READY FOR THE UNEXPECTED

Most people don't expect chronic illness to happen to them. Scott Rider, a MassMutual policyowner, certainly didn't. Rider was an avid runner and active family man, so his diagnosis of Parkinson's Disease was a devastating blow. Life changed not only for Rider himself, but also for his family. His wife Kelly, now acts as his caregiver, helping out as simple tasks like tying his shoelaces have become increasingly difficult.

One thing the Rider family hasn't had to worry about is their financial security. As a former financial professional, aware of the odds surrounding disability, Scott Rider secured disability income insurance when he was much younger. The policy has replaced part of Rider's income as his illness has progressed and he can no longer work.

"The insurance is a piece of security that I really don't even know how to express," says Kelly. The support from that protection, she says, allows her to concentrate on her husband's care.



[Click here to learn more about Kelly and Scott's story.](#)



## Helping Parents Protect Children's Educational Futures

Parents should be able to fulfill the dream of providing a quality education for their children – even if they can't be there to see it happen. That's the goal of MassMutual's LifeBridge<sup>SM</sup> free life insurance program, available to eligible families. MassMutual pays all premiums for a \$50,000 10-year term life insurance policy that is issued to a trust that pays for children's educational expenses in the event that the insured parent or guardian passes away.

Money can be used to pay for tuition, fees, books, campus room and board, and other educational expenses at preschools, private schools, trade schools, or colleges and universities. The only program of its kind, LifeBridge has issued more than 14,000 policies representing more than \$700 million in free coverage to income eligible families – with an ultimate goal to issue coverage worth \$1 billion.



## Retirement Investing, Simplified

Planning for long-term goals like retirement involves many variables for investors to consider, such as how much to invest, how aggressively to invest, and when to begin. Target-date funds take some of the guesswork out of this decision by "targeting" the approximate year an investor expects to retire, and automatically adjusting asset allocation over time. MassMutual recently introduced three new target-date funds for 401(k) and other defined contribution plans, co-managed by T. Rowe Price, Legg Mason, and J.P. Morgan.

These funds reduce risk for savers at the times they're most vulnerable: just before and just after retirement. According to MassMutual's 2018 Retirement Savings Risk Study, many pre-retirees and recent retirees are investing at risk levels that are higher than recommended for their age, which could jeopardize years of diligent planning. Target-date funds help savers better manage risk and reward and set themselves up for a secure retirement.



of Americans age 50+ failed a quiz about Social Security retirement benefits in 2015. 47 percent failed a similar quiz in 2018. When it comes to retirement, people still have a lot to learn.

# Celebrating Mutuality



## EMPLOYEES

Hardworking, Passionate  
People Make Up  
MassMutual

*We're nothing without each other. To succeed as a business, MassMutual depends on hardworking, passionate people, and they rely on us to create a fulfilling place to work.*

# DATA DAYS FOR GOOD



Visualizing trends in education. Identifying success indicators for entrepreneurs. Modeling consumer protection issues. What do all of these have in common?

All were projects undertaken during the MassMutual data science team's second annual Data Days for Good effort in 2018. Through this initiative, MassMutual employees volunteered time and skills with community partners and nonprofits that advance social good, with the goal of addressing challenges through data science. One key partner was Valley Venture Mentors, which aims to drive an "entrepreneurial renaissance" by nurturing startups in Western Massachusetts. MassMutual helped advance this mission by conducting an analysis to help identify predictive features that can measure business success and performance.



[Click here to learn more about Data Days for Good.](#)

800

More than 800 hours volunteered by a team of MassMutual data scientists, local students, and a team from Amherst College working to solve seven different initiatives over the course of the week.

# Using Our Expertise for Good

# Using Our Expertise for Good



## Speaking Up About Issues that Matter

True equality comes only when all members of our communities have the freedom to live freely. For more than 20 years, MassMutual has been a proud supporter of the LGBTQ community and continues to work for change amid threats to roll back protections for LGBTQ individuals nationwide. Since 2017, MassMutual has become a corporate founding sponsor of the Massachusetts LGBT Chamber of Commerce and a partner of the National LGBTQ Chamber of Commerce.

We have also taken a stand by signing amicus briefs on cases related to transgender rights and supported the “Yes on 3” campaign in Massachusetts, which upheld transgender protections in the state. Our actions on a national level include signing the Business Statement on Transgender Equality and joining the Business Coalition for the Equality Act, which creates clear, consistent protections to prohibit discrimination on the basis of sexual orientation and gender identity.



## Keeping Our Employees Healthy

Our people work hard to meet the needs of our policyowners. We value their contributions. And to help our employees continue to be their best, we provide healthy choices in our offices and opportunities to improve wellness and find balance in their daily lives. These offerings are aimed at supporting the physical, emotional, financial, and social aspects of well-being. They include programs and benefits such as on-site illness and injury care, an Employee Assistance Program, various wellness activities and events, financial counseling, and affinity-based business resource groups.

A network of 200 employee wellness champions advocates for and promotes MassMutual’s well-being offerings throughout their respective work areas. In 2018, we invited medical and well-being professionals to provide a series of webinars on topics ranging from mindfulness to sleep disorders to opioid addiction.

## BY THE NUMBERS

**\$1,908,400**

earned through our “Live Healthy, Live Well” wellness incentive program

**\$617,788**

in subsidies for healthy food options

**11,000**

visits to Wellness Services and over 2,200 flu shots administered on site

**1,266**

online mindfulness classes taken, totaling 21,153 minutes of mindfulness practiced

**38,000**

visits to our on-site fitness centers

**2,000**

business resource group members representing approximately 27 percent of employees

## EXTERNAL RECOGNITION

- 2018 World's Most Admired Companies  
FORTUNE\*
- 2018 America's Best Employers  
Forbes
- 2018 Best Places to Work for  
Disability Inclusion  
Disability Equality Index
- 2018 World's Most Ethical Companies  
Ethisphere Institute
- 2018 Diversity Best Practices Inclusion Index  
Diversity Best Practices
- 2018 Corporate Equality Index  
Rating of 100%  
Human Rights Campaign
- 2018 Top Companies for Executive Women  
National Association for Female Executives
- 2018 Gold Standard Employer  
CEO Roundtable on Cancer
- 2018 Gold Workplace Health  
Achievement Award  
American Heart Association
- 2018 Top Corporate Charitable Contributors  
Boston Business Journal
- 2018 Vision Award  
Associated Industries of Massachusetts

\*From FORTUNE Magazine, January 19, 2018.  
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### Growing Our Business in Massachusetts

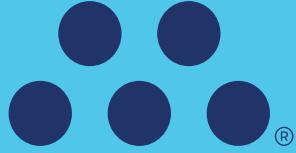
Our roots in Springfield, Massachusetts, date back to MassMutual's founding. In 2018, we announced our decision to expand in our home state by significantly growing our workforce at our Springfield headquarters and constructing a new campus in Boston's Seaport district. Across these two locations, we will invest nearly \$300 million in Massachusetts and bring 2,000 jobs to the state over the next four years. Our home state offers everything we need to best serve our policyowners: a highly skilled workforce, including a rich pipeline of talent from the state's best-in-class network of higher education institutions, robust local economies, convenient access to transportation, and a diversity of communities.

“

*We are proud MassMutual has called the Commonwealth home for over 165 years, and we look forward to what their investments in Western and Eastern Massachusetts will mean for Massachusetts, our economy, and their employees.*

— Charlie Baker,  
Governor of Massachusetts

Using Our Expertise  
for Good



# Live Mutual

Our employees are the embodiment of the idea that we all are stronger and better through our support for one another. Here, in their own words, are employee perspectives on how MassMutual's wellness, diversity, and community support programs build on that ideal.



“

*Supporting well-being elevates employees' lives. They are more engaged, more productive, and able to go home to their families and communities feeling healthy and content.*

Dr. Claudia Coplein  
Head of Health & Wellness

Claudia Coplein has made a career out of caring for others. As a flight surgeon in the Air Force, she cared for pilots, aviators, and their families in a fast-paced environment. She's held multiple business and health-related senior leadership roles and now oversees MassMutual's health and wellness initiatives. Over the course of her career, Coplein has learned that true well-being is about much more than physical health. Just as important are social, emotional, and financial components. Through MassMutual's Live Healthy, Live Well programming, Coplein helps employees see the bigger picture.



“

*Diversity and inclusion help us understand our customers' needs – and help our employees feel a sense of belonging. Representation up and down the corporate ladder is key.*

Jon Berthiaume  
Head of Brand Governance

As the head of MassMutual's Brand Governance team, Jon Berthiaume is responsible for upholding our brand vision of providing financial wellbeing for all Americans. All really does mean all – Berthiaume helps communicate MassMutual's embrace of people of all races, ethnicities, sexual orientations, and family structures. Being inclusive is equally important within MassMutual. Berthiaume is a member of multiple MassMutual business resource groups, which he says help him build cultural competency and be a better ally to diverse communities. Says Berthiaume, "Having a variety of voices at the table allows us to do our best work."



“

*So often we, as women, don't raise our hands because we are not confident in our skill sets, while men will opt in regardless of their qualifications. We have to let go of that fear.*



”

*MassMutual is a staple in the community. Volunteerism brings visibility to the company and allows people to see what we're about – which eventually attracts new talent.*

### Pia Flanagan

Chief of Staff to the CEO

After nearly two decades building a career in law in New York City, Pia Flanagan was ready for a change. She wanted to be part of something she could be passionate about, a company with a mission she could identify with, that also made diversity and inclusion a priority. MassMutual was the answer. Dedicated to serving its policyowners, the company already had a workforce with more women than men, and those women were represented broadly throughout its talent pipeline. Flanagan is building on that success, working to empower women employees at MassMutual through the Women's Leadership Business Resource Group, which provides formal and informal mentoring and professional development opportunities to women at all levels. In her current role alongside MassMutual's executive leadership team, Flanagan is helping drive greater inclusion from the very top.

### Wayne Barbour

Strategic Consultant (LTCI), Strategic Service Partners of MMUS

Growing up in an underprivileged neighborhood in Baltimore, Wayne Barbour depended on a strong family foundation. Sports were his ticket to a better future, allowing him to earn a scholarship and a college degree. Barbour was working at MassMutual and happened to walk past an after-school football practice when something clicked. Barbour volunteered to help coach, and almost 20 years later, he leads the board of Springfield Youth Athletics, which has grown to offer a half-dozen sports that keep kids off the streets. He emphasizes to his players the common values between sports and the workplace, like teamwork, accountability, and dedication. Barbour also encourages his fellow MassMutual employees to volunteer and was recognized with MassMutual's Community Involvement Award for his work.



## STUDENTS

Supporting Education and  
Empowerment at  
Every Stage

*MassMutual shows young people that they're not alone when it comes to preparing for their financial futures. We also invest in programs that give children from all backgrounds the chance to succeed.*

# OPENING DOORS TO LEGAL CAREERS



9

students of the program's top performing scholars had the chance to travel to Washington, D.C. for a day.

When President Jimmy Carter, who appointed more minority and female judges to the federal judiciary than all previous presidents combined, was asked about this track record, he said that it was "just the beginning."

Inspired by these words, Just The Beginning – A Pipeline Organization was formed in 1992. The group works to increase diversity in the legal community by developing educational programs designed to inspire students from underrepresented groups to pursue careers in law.

In 2018, for the sixth year in a row, MassMutual and Just The Beginning welcomed students to the Springfield Summer Legal Institute, a five-day immersion program for Springfield-area high school students. Nine of the program's top-performing scholars had the chance to travel to Washington, D.C. for a day. There, they had a private tour of the Supreme Court and met Associate Justice Ruth Bader Ginsburg. Justice Ginsburg spoke to the students about the challenges she has overcome as a woman and a Jewish American – providing many students with further inspiration to pursue their dreams against the odds.

## 2018 Education Initiatives

# 2018 Education Initiative



## Supporting Early Education in Our Hometown

Education begins before students enter a formal classroom – which means that gaps in education take effect early, too. The MassMutual Foundation is helping provide high-quality early education and care by helping fund Massachusetts' first Educare school. The Educare model began in 2000, and helps ensure that financially disadvantaged children are academically, socially, and emotionally prepared to succeed in kindergarten and beyond.

When it opens in 2019, Educare Springfield will provide quality care and early childhood education for more than 140 children ranging in age from six weeks to five years. It will also be used as a training facility for the local early education community, including aspiring and current early education teachers, social workers, and other affiliated professions. Educare will help make our entire community stronger – not only by closing the readiness gap for children, but also by increasing parents' economic stability through workforce development programs and other services.



The MassMutual Foundation further supported education through two grants intended to build a successful educational ecosystem in Springfield by developing a cadre of highly qualified, motivated, and effective teachers. A grant to Teach Western Mass is building a pipeline of quality educators in our backyard by providing support, fellowships, and strong

partnerships with a network of schools. With support from the MassMutual Foundation, Teach for America recruits, trains, supports, and retains great educators and fields the next generation of educational leaders for Western Massachusetts.

# 2018 Education Initiative



**FutureSmart<sup>SM</sup>: Taking Financial Control**  
Elliott Powell, a history teacher at California's San Marcos Middle School (featured above), knows that financial education can change the course of students' lives. Many of his pupils come from low-income backgrounds and lack the tools to take control of their financial futures, making resources like the MassMutual Foundation's FutureSmart financial literacy program an important feature in their educational experience.

"One of the things I love about teaching FutureSmart is that it gives my students the opportunity to dream," Powell says. In his classroom, he focuses on the choices that seventh and eighth graders can make to influence their futures, from how to comparison shop to how to use debit and credit cards. These real-life examples can make all the difference. Says Powell, "I want them to understand that you can break the cycle. There is a way around it."



[Click here to learn more about FutureSmart.](#)



Hill Harper, an award-winning actor, best-selling author, philanthropist and FutureSmart spokesperson, addresses middle school students at the MassMutual Foundation's FutureSmart Challenge in Phoenix, Arizona.

## Expanding the FutureSmart Platform

A distinguishing feature of the FutureSmart program is its practice of engaging with students in ways that resonate with them. It consists of a digital course delivered in schools, a mobile app, and live FutureSmart Challenge events held in partnership with NBA teams. The digital program is available in both English and Spanish, at no cost, allowing more students to navigate the U.S. financial system and help their families do the same. As of December 2018, more than 1.3 million students had participated in the program, putting us on track toward our goal of reaching 2 million students by 2020.

# 1.3 million

students impacted

We aspire to reach

# 2 million

students and families by 2020

## COMMUNITY

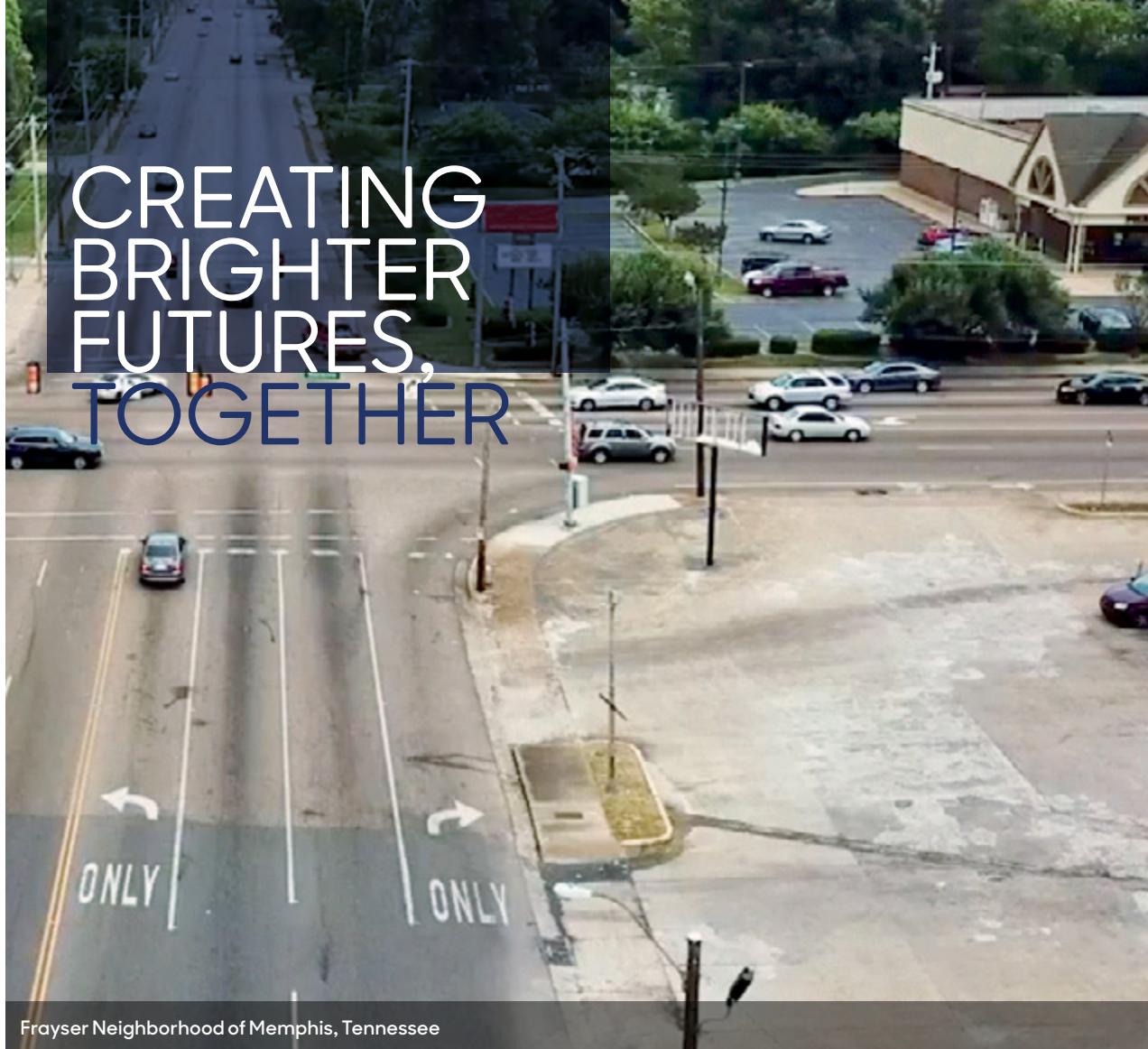
Being a Trusted Neighbor  
to Those in Need

*We depend on the communities where we operate, just as they depend on us. MassMutual offers funding and expertise to lift others up.*



# 2018 Community Initiatives

**CREATING  
BRIGHTER  
FUTURES,  
TOGETHER**



MassMutual Foundation  
grantmaking in 2018

**\$13.6  
million**

MassMutual corporate  
charitable giving in 2018

**\$3.9  
million**

The Frayser neighborhood of Memphis, Tennessee, sprang up around the railroad in the 1800s.

The community thrived for generations, until the 1980s when plants closed and businesses stopped investing. Today, Frayser is one of the most economically disadvantaged communities in America. Frayser is also considered a financial desert, meaning that instead of traditional financial services, citizens typically have access only to alternative financial services like payday lenders, which often serve only to deepen poverty.

Frayser is just one place, but it represents a disparity that is present and growing in our society. It's one of two communities where we've launched the Live Mutual Project, a convening of national and local partners, including residents, to work toward a shared vision of prosperity. The other community is the North End neighborhood of Springfield, Massachusetts, home of MassMutual.

Too many people have been left behind for far too long. We're committed to helping create brighter futures for all, no matter where they live.



[Click here to learn more about MassMutual's work in the Frayser neighborhood.](#)

# 2018 Community Initiatives



## Pedaling for Prevention

HIV/AIDS affects our policyowners, employees, and communities. That's why MassMutual, in coordination with our 450-member strong Pride Business Resource Group, Community Responsibility and employee volunteers joined together to promote education and prevention about the disease. For the second year in a row, we sponsored Cycle for the Cause, a three-day, 275-mile bike ride from Boston to New York City. Our six-rider team trained for a year to prepare for the ride. Through combined sponsorships, corporate donations, and team fundraising, MassMutual raised more than \$43,000 for the cause, contributing to a total of \$2.1 million raised through the event.

This year, we worked to integrate our involvement with Cycle for the Cause with our Live Mutual mission, featuring our riders and volunteers on TV, social media, and a website to bring greater awareness and support to this cause and the people who are impacted by it. We will continue to partner with organizations like Cycle for the Cause to serve our community and make a difference in the lives of others.



Rob Sanchas, a Gulf War veteran and an athlete for the Achilles Foundation's Achilles Freedom team.



[Click here to learn more about Rob Sanchas and Achilles International.](#)

MassMutual raised more than  
\$43,000  
for Cycle for the Cause

## Running on Partnership

MassMutual is a sponsor of the Achilles Foundation, which empowers people with disabilities to participate in mainstream running events. We are involved with the Foundation's Achilles Freedom Team, a program specifically adapted for the needs of wounded veterans. The program offers specialized training, support, and guidance for all their athletes.

One athlete whose life was transformed by Achilles is Rob Sanchas, a Gulf War veteran who lost his eyesight in 2008 in an accident during military training. He avoided exercise for years, until he learned about Achilles and the possibility of running races while accompanied by a guide. Sanchas worked his way up from guided walks to full marathons in cities nationwide. He's worked hard, but gives the credit to his guides. "A runner who is not visually impaired can just pick their way through the crowd. But a guide has to think for themselves and talk me through any obstacles to navigate. They spend hundreds of hours volunteering and they do all this extra work for nothing more than a thank you, just because they love to run. They are my heroes."

# 2018 Community Initiatives



## Giving Back Through Pro Bono Service

Hampden County, where MassMutual was founded, is the most populous county in Western Massachusetts. It also has one of the state's highest rates of poverty. The need for legal assistance exceeds its availability: more than two-thirds of residents do not get the legal help they need.

**1,600**  
hours of legal  
service were  
donated in 2018

To help expand access to justice in our hometown community, MassMutual's Law Department began its pro bono program in 2007. Through the program, which originated through a partnership with the Hampden County Bar Association's (HCBA) Legal Clinic, MassMutual attorneys team with other local volunteer attorneys and lay advocates serve in the Western Division Housing Court as "Lawyers for the Day." There, they assist

underserved tenants and landlords wrestling with eviction matters and other housing issues. The program has expanded to include other partners, such as Community Legal Aid, and today helps countless people advocate for improved living conditions and housing security. In 2018, MassMutual was honored with the national Pro Bono Partner Award from Corporate Pro Bono for our partnership with HCBA and work on these issues.

The pro bono program has grown to offer other services, including Know Your Rights presentations in partnership with the Political Asylum and Immigration Representation Project. Most recently, we launched the Veterans Discharge Upgrade Project in partnership with the Harvard Legal Clinic. This program assists veterans who have been given less than honorable discharges and helps them appeal for an upgrade in their discharge, allowing them to access health care and other benefits.

Our employees' enthusiasm for giving back through these programs remains high: in 2018 nearly 84 percent of the attorneys in MassMutual's Corporate Law Department, along with over 50 percent of its administrative and paralegal staff, participated in pro bono services. Together, they donated over 1,600 hours of service.



## Board of Directors

### Board Committees

- 1 Audit
- 2 Executive
- 3 Human Resources
- 4 Investment
- 5 Technology & Governance
- \* Chair

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Life Insurance Company  
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Nashville, Tennessee

Vice Chancellor for  
Investments Emeritus  
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Nashville, Tennessee

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Massachusetts Mutual  
Life Insurance Company  
Springfield, Massachusetts

Former Chief Executive Officer  
Cadbury PLC  
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Chairman, President and  
Chief Executive Officer

**Susan Cicco**  
Head of Human Resources and  
Employee Experience

**Tim Corbett**  
Chief Investment Officer

**Geoffrey Craddock**  
Chief Risk Officer

**Michael Fanning**  
Head of MassMutual U.S.

**Pia Flanagan**  
Chief of Staff to the Chief  
Executive Officer

**Michael O'Connor**  
General Counsel

**Mark Roellig**  
Head of Technology  
and Administration

**Gareth Ross**  
Head of Digital and  
Customer Experience

**Elizabeth Ward**  
Chief Financial Officer  
and Chief Actuary

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Head of MassMutual International

**Tom Finke**  
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Executive Officer, Barings

**Art Steinmetz**  
Chairman, President and  
Chief Executive Officer,  
OppenheimerFunds



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