



# 2023 Sustainability Report



# Table of Contents

A Message From Our CEO	2
About MassMutual®	3
MassMutual's Sustainability Journey	5
Sustainability and Mutuality	6
Sustainable Finance	10
Climate Risks and Opportunities	14
Our People	22
Diversity, Equity, and Inclusion	26
Our Policyowners and Customers	30
Our Communities	34
Governance and Ethics	39
About This Report and Indices (SASB and TCFD)	43

## A Message From Our CEO

Dear Fellow Stakeholders,

As much as our world inevitably changes and evolves, MassMutual remains steadfast in the very principle that has underpinned our success for more than 173 years: mutuality. Since our earliest days, we have operated for the benefit of our policyowners, meaning our interests are directly aligned with the people who rely on us. This gives us the ability and freedom to make long-term decisions to best serve them throughout their entire lives.

For a company that thinks in decades, MassMutual brings this same mindset to how we approach sustainability. We recognize that our enduring strength and stability is linked to the health and welfare of the communities we serve and the planet on which we all depend. As such, the actions we take to embed environmental stewardship, social responsibility, and robust governance into our business are all in support of our commitment to provide lasting value to our policyowners, customers, employees, and communities.

This report details MassMutual's endeavors to do just that, as we look to build a better world while delivering strong, consistent, long-term financial performance.

We focus on enhancing the factors that enable us to drive meaningful growth, balance innovation and risk management, and foster the culture and talent needed to achieve the greatest impact.

At the heart of these efforts is our work to accelerate the transition to an equitable, low-carbon economy, including our active pursuit of opportunities to invest in climate solutions. At the same time, we are making ongoing progress on our goals to achieve net zero emissions in our portfolio and operations and effectively managing our exposure to climate-related risks. What's more, we continue to support historically overlooked companies and funds that drive social impact and generate financial returns, more than doubling our total impact investment commitment in just over two years.

To deliver this important work – as well as provide financial security to our more than four million customers – we rely on our passionate, dedicated, and talented employees. That's why we continue to foster an inclusive, flexible, and collaborative workplace that empowers them to reach their personal and professional goals, while investing in benefits and leave programs to support their holistic well-being.

Similarly, we also realize the benefits of a long-term investment approach in our communities, as we partner with innovative organizations whose goals align with our own. Through the MassMutual Foundation, we are helping to create more equitable access to social and economic opportunities and improve financial well-being for more people.

Above all, these efforts are supported by governance practices that nurture strong ethics, accountability, and sound decision-making – principles that have been in place since the moment we issued our first policy. We stand on the shoulders of MassMutual leaders who came long before us, proudly carrying on their legacy of operating with the highest standards of integrity.

After all, those values have guided MassMutual throughout our history, enabling us to help millions of families secure their future and protect the ones they love. Today, we take the same sense of stewardship to heart, knowing that the choices we make now will help us fulfill our obligations to all our stakeholders and create a better, more sustainable world for generations to come.

Sincerely,



**Roger W. Crandall**

*Chairman, President & Chief Executive Officer*



**“We recognize that our enduring strength and stability is linked to the health and welfare of the communities we serve and the planet on which we all depend.”**

**– Roger Crandall  
Chairman, President & CEO**

# About MassMutual®



## Purpose

We help people secure their future and protect the ones they love



## Vision

To provide financial well-being for all Americans

MassMutual is a leading mutual life insurance company that is run for the benefit of its members and participating policyowners. Founded in 1851, the company has been continually guided by one purpose: we help people secure their future and protect the ones they love. With a focus on delivering long-term value, MassMutual offers a wide range of protection, accumulation, wealth management, and retirement products and services. For more information, visit [MassMutual.com](https://www.massmutual.com).

## 2023 at a Glance

full-time employees<sup>1</sup>

~11,000

insurance and annuity benefits paid to policyowners and customers<sup>2</sup>

\$9.1B

financial professionals in our network

~7,000

life insurance in force

\$1T

lives newly insured

~159,000

consecutive dividend payout to eligible participating policyowners approved<sup>3</sup>

156th

<sup>1</sup> Includes Massachusetts Mutual Life Insurance Company, MassMutual Ascend Life Insurance Company, MassMutual Romania, MassMutual India, Haven Technologies, and Barings LLC.

<sup>2</sup> Consolidated statutory results of Massachusetts Mutual Life Insurance Company and its U.S.-domiciled life insurance subsidiaries: C.M. Life Insurance Company, MML Bay State Life Insurance Company, as well as MassMutual Ascend Life Insurance Company and its U.S.-domiciled life insurance subsidiaries: Manhattan National Life Insurance Company and Annuity Investors Life Insurance Company as of December 31, 2023.

<sup>3</sup> The dividend and dividend interest rate are determined annually, subject to change, and are not guaranteed.

## Awards and Recognitions

World's Most Admired Companies<sup>4</sup>

- FORTUNE

2024 Sustainalytics ESG Industry Top-Rated Company<sup>5</sup>

- Morningstar Sustainalytics

Best Places to Work for Disability Inclusion

- Disability Equality Index® rating of 100%

Equality 100 Award: Leader in LGBTQ+ Workplace Inclusion

- 2023-2024 Corporate Equality Index – score 100 out of 100, Human Rights Campaign

2024 VETS Indexes 4 Star Employer

- VETS Indexes

2024 Best Places to Work Awards

- Built In<sup>6</sup>

Top Charitable Company

- Boston Business Journal

Top Places to Work in Massachusetts

- The Boston Globe

<sup>4</sup> From FORTUNE. ©2024 FORTUNE Media IP Limited. All rights reserved. FORTUNE World's Most Admired Company (February 2024) is a registered trademark of FORTUNE Media IP Limited and is used under license. FORTUNE and FORTUNE Media IP Limited are not affiliated with, and do not endorse products or services of, MassMutual.

<sup>5</sup> Copyright ©2024 Morningstar Sustainalytics. All rights reserved. This publication contains information developed by Sustainalytics ([www.sustainalytics.com](http://www.sustainalytics.com)). Such information and data are proprietary of Sustainalytics and/or its third-party suppliers (Third Party Data) and are provided for informational purposes only. They do not constitute an endorsement of any product or project, nor an investment advice and are not warranted to be complete, timely, accurate, or suitable for a particular purpose. Their use is subject to conditions available at <https://www.sustainalytics.com/legal-disclaimers>.

<sup>6</sup> U.S. Best Places to Work, U.S. Best Large Places to Work, Best Places to Work in Boston, Best Large Places to Work in Boston, Best Places to Work in New York, and Best Large Places to Work in New York.

# MassMutual's Sustainability Journey

With a continued focus on the long-term interests of our policyowners and customers, we have achieved many sustainability milestones over the past 173 years. As our business continues to grow and evolve, sustainability remains essential to how we deliver value for our policyowners, customers, employees, and communities.



## 1851

MassMutual founded

## 1932

Issued 60,000 loans totaling more than \$26 million to policyowners to help them through the Great Depression

## 1965

Began offering disability income insurance

## 1968

Introduced flextime to help employees achieve balance in their work and life

## 2002

Developed LifeBridge<sup>SM</sup>, a first-of-its-kind, free life insurance product<sup>7</sup>

## 2014

Expanded transgender-inclusive healthcare coverage

## 2020

Joined CEO Action for Racial Equity

## 2021

Became a signatory to the Principles for Responsible Investment

Committed to net zero greenhouse gas emissions in our operations by 2030 and investment portfolio<sup>8</sup> by 2050

Announced a \$150 million goal to procure from underrepresented diverse businesses

Opened our new office at 10 Fan Pier in Boston, a LEED Platinum<sup>®</sup> certified building

## 2022

Launched the MassMutual Ventures Climate Technology Fund to invest in early- and growth-stage companies across North America

Launched signature partnership with the Boston Red Sox, including teaming up with the Red Sox Foundation on shared community initiatives

## 2023

Expanded total impact investment commitment to \$300 million with our First Fund Initiative and MassMutual Catalyst Funds, launched in 2021, which invest in historically overlooked emerging managers and businesses across the United States and Canada and rural startups in Massachusetts

Purchased a majority interest in Counterpointe Sustainable Advisors LLC, a leader in commercial property assessed clean energy (C-PACE), sustainable real estate, and energy solutions financing

Disclosed interim targets to advance our net zero 2050 portfolio and net zero 2030 operational commitments

Committed an additional £400 million to Low Carbon Limited to target 20GW of renewable energy capacity by 2030

## 2024

Provided a record estimated \$2.2 billion dividend payout to participating policyowners, the 18th consecutive year we have paid an industry-leading dividend interest rate among our mutual peer companies<sup>9</sup>

<sup>7</sup> MassMutual pays the premiums.

<sup>8</sup> Investment portfolio refers to MassMutual's General Investment Account, which had \$263 billion of invested assets as of December 31, 2023. 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>9</sup> The dividend and dividend interest rate are determined annually, subject to change, and are not guaranteed.

# Sustainability and Mutuality



Our purpose – to help people secure their future and protect the ones they love – underpins everything we do. We have provided enduring value for our policyowners and customers throughout our 173 years, including through times of economic challenge and geopolitical unrest.

As a mutual company, we operate for the benefit of our members and participating policyowners, which allows us to manage the company with a focus on their long-term interests. This means that our commitment to sustainability is fundamentally aligned with, and ingrained in, how we operate and deliver value to the people who depend on us and the planet we share.

## Our Approach

At MassMutual, sustainability is about embedding environmental stewardship, social responsibility, and good governance into how we do business. We view sustainability as integral to how we deliver long-term value and stability to all our stakeholders, including our policyowners, customers, employees, and communities. We focus on the environmental, social, and governance factors that are material to our long-term success. Integration of these factors into our business drives long-term growth, aligns with our steadfast commitment to risk management, sparks innovation, and helps us build the culture and attract the talent we need to succeed in a changing world. We are committed to continuously advancing our sustainability approach and performance in support of our business goals.



## Core Elements of Our Sustainability Strategy



**Supporting the transition to an equitable, low-carbon economy, capturing opportunities, and managing risk to succeed in a rapidly changing world**



**Creating a diverse workforce and an equitable and inclusive workplace that empowers our employees to reach their personal and professional goals**



**Investing in our communities to create more equitable access to social and economic opportunities and financial well-being**



**Operating our facilities sustainably**

### Progress

- Established and continued implementing 2030 interim targets for our commercial mortgage loan and public corporate power and energy portfolios to advance our net zero 2050 portfolio commitment
- Committed capital to climate solutions with investments in Counterpointe Sustainable Advisors LLC, Low Carbon Limited, and our MassMutual Ventures Climate Technology Fund
- Launched second MassMutual Catalyst Fund, a \$100 million dollar commitment to continue investing in historically overlooked businesses, bringing total impact investment commitment to \$300 million

- Continued to grow the diversity of our workforce and foster an inclusive workplace, driven by strategies to attract, hire, develop, and retain talent
- Expanded employee access to mental health solutions and launched Well-being Wallet, providing funds for employees to directly manage their overall well-being as they see fit

- Provided a \$3 million grant to Boston Medical Center to create an Economic Justice Hub to address health and economic inequities
- Worked with Epicenter Memphis to provide small businesses and entrepreneurs in underserved communities with funding between \$1,000 and \$20,000

- Continued to work toward our 2027 interim target to reduce operational greenhouse gas emissions by 72 percent from 2019
- Implemented a carbon management software platform to calculate, track, and report greenhouse gas emissions



## Sustainability Governance

Our sustainability governance structure is designed to ensure integrity, accountability, transparency, and sound decision-making. Strong oversight enables us to deliver long-term value and stability to our policyowners, customers, employees, and communities.

Our Board provides oversight of our sustainability strategy, including our strategy related to climate change, and receives updates regularly throughout the year. Our Executive Leadership Team oversees sustainability strategy, including climate risks and opportunities. Our Global Sustainability Office develops and deploys MassMutual's sustainability strategy, working closely with functional leaders, business units, and cross-functional working groups to drive integration and engage employees. Our sustainability governance structure is as follows:

### Board of Directors

Provides oversight of our sustainability strategy, including our strategy related to climate change, and receives updates on a regular basis throughout the year.

### Executive Leadership Team

Oversees sustainability and climate strategy, provides guidance and support to ensure actions are aligned with overall company strategy, and receives regular updates. Comprises the full Executive Leadership Team, including our CEO.

### Global Sustainability Office

Develops and deploys MassMutual's sustainability strategy, including our climate-related risks and opportunities. Is led by our Head of Sustainability and works closely with functional leaders and business units to drive integration.

### Cross-Functional Working Groups

Support integration of sustainability principles into business unit-level strategies, policies, and procedures, and lead execution of key sustainability initiatives. Comprised of functional and business unit leaders.

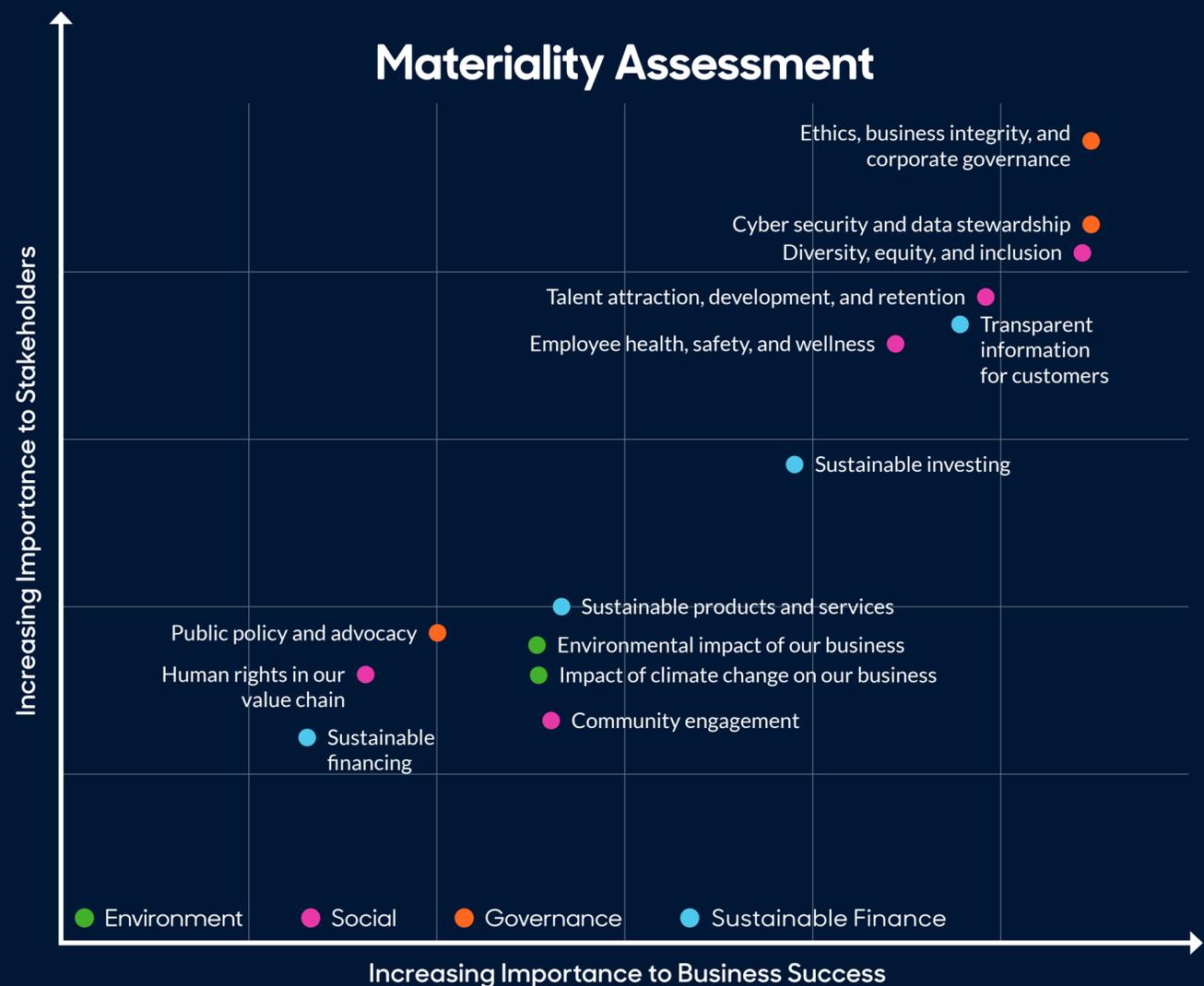
### Our Employees

Bring our strategy to life through dedication, energy, and creativity.

For more information about our climate risk governance, see [page 15](#), and about our corporate governance practices, see [page 39](#).

## Our Material Sustainability Topics

We focus on the sustainability topics that are material to the long-term growth and stability of our business and that are of the highest priority to our stakeholders. We conducted a formal materiality assessment in 2021, in which we identified and prioritized our material sustainability topics. This assessment of over 200 topics was informed by relevant standards, megatrends, and peer disclosures, as well as internal and external stakeholder input. We have reviewed this analysis annually and determined that these 14 issues continue to be material and should accordingly inform our sustainability strategy, objectives, and goals.



## Stakeholder Engagement

We regularly engage with key stakeholders through a variety of mechanisms to help inform our sustainability strategy and approach.



# Sustainable Finance



For more than 170 years, our company has been guided by a commitment to provide people with financial security and peace of mind – today and for generations to come. Our commitment to sustainability directly stems from our obligation to manage the company with a focus on the long-term interests of our members and participating policyowners. Integrating material sustainability factors across our finance activities enables us to pursue consistent, long-term returns by mitigating risk and identifying new opportunities.

At MassMutual, sustainable finance includes the management of our General Investment Account (GIA), insurance products, and asset management offerings. Our Sustainable Finance Framework details our company-wide guidance on integrating

sustainability considerations into each of these different aspects of our business and encourages alignment among them. We rely on data, tools, and technology to operationalize the framework and have developed sustainable finance playbooks to guide implementation.

We view sustainability as an important lens through which we can identify and manage risks and opportunities across our insurance, investment, and credit decisions, with specific approaches tailored to each line of business. Our sustainability governance structure and Sustainable Finance Framework form the foundation of our oversight of these issues. They also enable us to offer solutions that meet our customers' needs while supporting our long-term growth.



## Sustainable Investing

MassMutual's GIA, which held \$263 billion of total invested assets as of year-end 2023, backs our obligations to those who rely on us.<sup>10</sup> As a mutual life insurance company, we are long-term investors concerned with meeting commitments that stretch far into the future. That means we focus on generating long-term, stable performance to support MassMutual's ability to meet our financial obligations to our policyowners. Evaluation of material sustainability factors contributes to our overall approach to managing risk-adjusted returns.

We focus our sustainable investing strategy on where we can best leverage capital to capture opportunities and manage risks, both today and over the long term. This includes three key areas: advancing our commitment to achieve net zero portfolio emissions by 2050, investing responsibly by further embedding sustainability considerations into the management of our GIA, and expanding economic opportunities.

### Advancing Our Net Zero 2050 Commitment

MassMutual has committed to reach net zero emissions in our investment portfolio by 2050. We have done so in recognition that our GIA generates both our largest impact on the climate and potential exposure to climate-related risks. Our GIA is also the most effective vehicle for us to capture opportunities associated with the transition to a low-carbon economy, considering the long-term nature of our commitment to policyowners.

To support this effort, we are implementing a multiyear roadmap to put us on the path to net zero, including setting 2030 interim targets for our commercial

mortgage loans and our public corporate power and energy portfolios. We chose to start with these carbon-intensive sectors because they represent meaningful emissions from our GIA and have credible transition pathways.

We are also actively pursuing opportunities to invest in climate solutions that support the transition to a low-carbon economy and align with our responsibility to generate long-term value for policyowners. For example, MassMutual Ventures (MMV), our global, multistage venture capital firm, launched a \$100 million Climate Technology Fund in 2022 to invest in climate technology companies across North America, with the objective of delivering measurable climate benefits and competitive, risk-adjusted investment returns. The fund made its first investment in 2023.

For more information about our net zero commitment and implementation see [page 16](#).

### Investing Responsibly Through Our GIA

Considering material sustainability factors in the overall management of our GIA supports risk mitigation and long-term value creation. We continue to explore opportunities to further embed these aspects into our investment process. Our [Sustainable Investment Policy Statement](#) outlines our overall approach to integrating sustainability factors into our asset allocation and investment process. The Investment Committee of our Board of Directors maintains oversight of this policy. Dedicated staff in our Investment Management team and in our Global Sustainability Office are responsible for implementing our sustainable investing strategy,

analyzing sustainability issues, monitoring current and emerging sustainability topics, and driving integration in line with our overall company strategy. For more information on how we manage climate risks and opportunities in our GIA, see [page 14](#).

In addition, MassMutual is a signatory to the Principles for Responsible Investment (PRI). As of the end of 2023, 96 percent of MassMutual's GIA assets under management were managed by PRI signatories. We continue to engage with our asset managers on their sustainable investment capabilities, including through a survey of their policies and practices. Further, the Investment Management team monitors our external investment managers' engagement practices including, but not limited to, their responsible investment policies and processes.

To implement our sustainable investing approach, we leverage the proprietary sustainability scoring methodology developed by MassMutual's wholly owned global asset management subsidiary, Barings LLC, which manages the majority of our GIA assets. In 2023, approximately 85 percent of assets in our GIA managed by Barings LLC were assigned a sustainability score. This includes our fixed income and real estate investment portfolios. See [Barings' sustainability website](#) for more information about how Barings LLC integrates sustainability considerations into the management of MassMutual's and other clients' assets.

Across our sustainable investing efforts, we take an engagement-centered approach with investment partners and portfolio companies, working in the interest of our policyowners while addressing sustainability risks and opportunities.

<sup>10</sup> 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, as of December 31, 2023.

## Expanding Economic Opportunities

Through our sustainable investment strategy, we seek to expand access to economic opportunities for all. By leveraging our capital in this way, MassMutual strengthens the communities in which we operate while advancing our efforts to help more people achieve financial security.

We apply this investment approach in a variety of ways. In 2023, we invested \$143 million in affordable housing debt and equity, bringing our total investment in this sector to \$3.1 billion. In addition, through MMV, we invest in a range of businesses, some of which generate social and economic benefits. For example, in 2023, MMV led the investment for EduFund, an Edu-Fintech company based in India that helps parents plan for their children's short- and long-term education needs.

Through MassMutual's impact investments – which are part of our GIA – we focus on investing capital in companies and funds that are historically overlooked because of systemic barriers. In doing so, we aim to generate positive, measurable social and environmental impact alongside financial returns. Our strategy incorporates innovative approaches in deal sourcing, selection, diligence, and investments that reduce structural inequities in capital markets and advance racial equity.

MassMutual's total impact investment commitment has more than doubled to \$300 million in just over two years, and we deployed more than \$26 million of impact investment capital in 2023. We pursue these opportunities through two unique initiatives:

- **MassMutual Catalyst Fund (MMCF)** is a \$150 million total commitment to increase diversity in, and access to, venture capital and invest in innovative products and services that advance economic and social mobility. In 2023, we launched our second MMCF to grow this work in Massachusetts and to selectively invest alongside our First Fund Initiative, detailed below, across the United States and Canada. Since launching the MMCF, we have invested in 21 businesses.
- **First Fund Initiative** is an effort through which we are committed to addressing and overcoming historic barriers to capital and advancing capital equity. First Fund's allocation strategy centers on funds that are systemically overlooked by financial institutions, have a differentiated investment thesis, and present the ability to generate positive social impact as well as financial returns. Since launching our initial \$50 million commitment in 2021, we have dedicated an additional \$100 million to this initiative, bringing our total allocation to \$150 million. First Fund has committed \$65 million across 10 funds.

### MMCF 2023 Impact

7

new investments

\$15.8M

total capital deployed to entrepreneurs

### First Fund Initiative 2023 Impact

\$11.1M

of committed capital was called<sup>11</sup>

### Total Investment

\$26.9M

of impact investing capital deployed by MassMutual in 2023

## Scaling Sustainable Impact Through Our First Fund Initiative

MassMutual's First Fund Initiative was founded on the premise of allocating funding to high-performing, systemically overlooked investment managers. In 2023, this included investing in Supply Change Capital, a female- and Latina-owned and -led venture capital firm that invests in companies working to accelerate the development of a more resilient food system.

Supply Change Capital's portfolio features early-stage companies at the intersection of food, culture, and technology, working to reduce food system impacts on the environment and promote healthier communities. Supply Change Capital believes that great investment opportunities can come from a diversity of talent, and they cast a wide net to find talented founders and opportunities. After deploying two-thirds of their inaugural fund, approximately 80 percent of the companies in their portfolio have Black, Latino, and/or female CEOs.



<sup>11</sup> Capital commitment includes money deployed into startups and for fund operation activities.

## Sustainable Product Offerings

MassMutual is committed to helping our clients meet their financial goals and reaching people on their terms. To do this, we offer a diverse range of products and services that enable our customers to choose solutions based on their individual priorities and objectives. We offer several options across our variable annuities and variable life product lineups, as well as through our MML Investors Services' (MMLIS) brokerage and investment advisory platforms, for clients who are interested in sustainable investing strategies. For example, we offer the MML Sustainable Equity Fund as an option within our variable annuities and variable life insurance products. The MML Sustainable Equity Fund is sub-advised by American Century Investment Management and aims to deliver competitive returns over the long term by investing in companies focused on improving business fundamentals and implementing sustainable corporate behaviors.

Our MMLIS clients also have access to hundreds of sustainable investment options offered by third-party asset managers through our Wealth Management advisory platform. At the end of 2023, assets under management for clients who seek to invest in sustainability funds, including mutual funds, exchange-traded funds, separately managed accounts, and fund strategist providers, totaled over \$900 million.



# Climate Risks and Opportunities



Climate change is fundamentally impacting economies and communities across the globe, posing risks and opportunities to governments, industry, and society at large. MassMutual is actively integrating climate considerations into the way we do business so that we can continue to serve the long-term interests of our policyowners, customers, employees, and communities.

Our approach to managing climate risks and opportunities encompasses our investments, products, and operations. This includes maintaining robust climate governance, integrating climate considerations into our enterprise strategy and risk management, and holding ourselves accountable through our commitments to achieve net zero emissions in our operations by 2030 and in our investment portfolio by 2050.

## Our Progress

- Became a signatory to the Principles for Responsible Investment
- Published Sustainable Investment Policy Statement
- Committed to net zero greenhouse gas emissions (GHG) in our operations by 2030 and investment portfolio<sup>12</sup> by 2050

- Developed our Sustainable Finance Framework
- Published first sustainability report, including climate risk management section informed by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

- Began implementing a carbon management software platform to calculate, track, and report GHG emissions
- Purchased majority interest in Counterpointe Sustainable Advisors, LLC

# 2021

- Established Global Sustainability Office (GSO) and appointed Head of Sustainability
- Developed multiyear net zero implementation roadmaps
- Opened our LEED Platinum® certified office at 10 Fan Pier Blvd. in Boston
- Launched a partnership with Low Carbon Limited to target 20GW of renewable energy capacity by 2030

# 2022

- Disclosed first annual operational GHG emissions inventory
- Launched MassMutual Ventures' (MMV) \$100 million Climate Technology Fund to invest in early- and growth-stage companies across North America in the climate technology sector
- Joined the Partnership for Carbon Accounting Financials (PCAF)

# 2023

- Disclosed interim targets for our commercial mortgage loan portfolio, our public corporate power and energy portfolios, and our operations to advance our net zero commitments
- Committed an additional £400 million to Low Carbon Limited
- Co-led a \$14 million investment in Cultivo, a public benefit corporation accelerating finance toward nature-based carbon removal projects, as part of our MMV Climate Technology Fund

## Governance

Our governance structure embeds climate-related considerations into our company strategy and processes to ensure accountability, transparency, and sound decision-making.

### Board of Directors Oversight

MassMutual's Board of Directors provides independent oversight of our management and of our overall sustainability strategy, including our climate strategy. Our directors bring deep and diverse experience from a range of industries and backgrounds, offering perspectives and expertise that help guide our efforts to continue delivering strong, long-term financial performance.

The Board oversees our Enterprise Risk Management (ERM) framework and receives updates on our risk management processes, policies, and guidelines at least annually. Climate risks, including transition and physical risks, are integrated into our ERM framework. For more information on how we identify, assess, and manage climate-related risks, see [page 18](#).

Our Board oversees sustainability and climate matters, including our net zero portfolio and operations commitments. The Board and its committees engage with management, including our Chief Risk Officer (CRO), Chief Investment Officer, and Head of Sustainability, on climate-related activities, climate risks and opportunities, and our net zero commitments. Key topics covered with the Board or its committees in the past two years include updates on the climate- and sustainability-related regulatory landscape, climate and sustainability disclosures, MassMutual's enterprise sustainability strategy and roadmap, and progress of the ERM program. In addition, the Board, through its Investment Committee, oversees our [Sustainable Investment Policy](#), which includes climate considerations.

<sup>12</sup> Investment portfolio refers to MassMutual's GIA, which had \$263 billion of invested assets as of December 31, 2023. 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.

## Management Oversight

The Executive Leadership Team (ELT), led by our Chief Executive Officer, is the management-level body responsible for overseeing the development and execution of our sustainability strategy, including climate risks and opportunities, progress toward our net zero commitments, and associated disclosures.

The Enterprise Risk Committee (ERC) is chaired by our CRO and includes the ELT. The ERC's responsibilities include establishing MassMutual's ERM policies and procedures, approving risk appetite and associated tolerance levels, and identifying top and emerging risks. We continue to integrate climate risks into our ERM framework.

Our Global Sustainability Office (GSO), led by the Head of Sustainability, is responsible for developing and implementing our climate strategy in collaboration with key business units throughout the company. The GSO leads work on climate risk and opportunities, our net zero commitments, and sustainability disclosures and is supported by project-based, cross-functional working groups. For example, a team comprised of representatives from ERM, GSO, and Investment Management collaborated to identify and assess transition and physical climate risks across the business and conduct climate scenario analyses. The GSO also collaborates with related business groups to strengthen capabilities required to implement our net zero commitments as well as to advance our climate and sustainability disclosures.

For more on MassMutual's corporate governance, see [page 39](#).

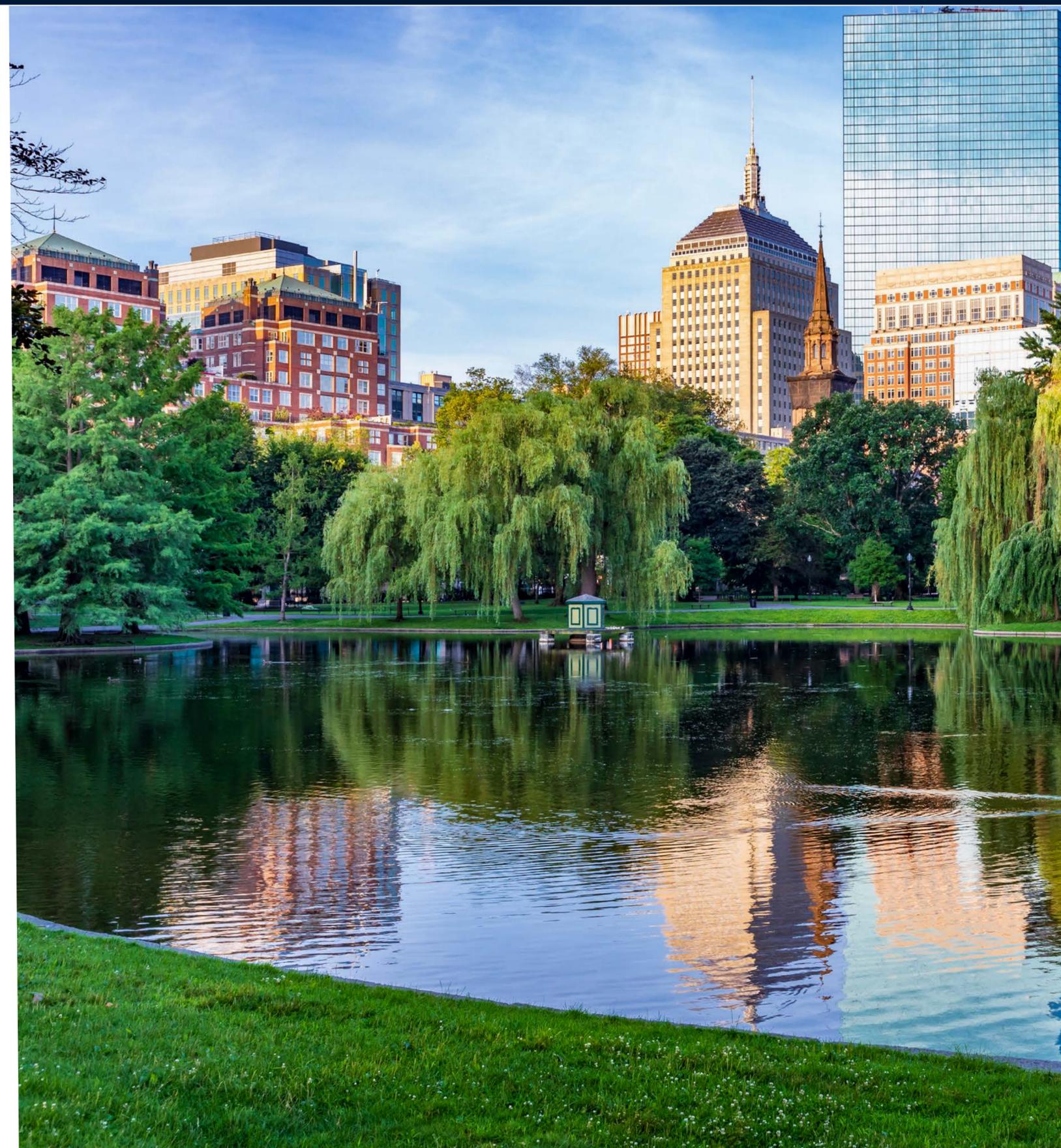
## Strategy

MassMutual's climate strategy is twofold: We leverage our capital to support the transition to a low-carbon economy while managing climate risks to succeed in a rapidly changing world. This approach is directly linked to how we deliver long-term value and stability for our policyowners and customers. We are integrating climate considerations into our investment processes, operations, and ERM framework in support of our long-term strategic resilience.

### Net Zero Portfolio Emissions by 2050

In 2021, MassMutual announced our commitment to reach net zero emissions in our investment portfolio by 2050. Our General Investment Account (GIA) is our largest impact on the climate and our greatest potential exposure to climate-related risks. It is also our most effective vehicle to capture the significant investment opportunities associated with the transition to a low-carbon economy.

In 2023, we disclosed interim targets for our commercial mortgage loans and public corporate power and energy portfolios. We started with these carbon-intensive sectors because they represent meaningful emissions from our GIA and have credible data, methodologies, and transition pathways. In setting these targets, we considered guidance from available frameworks, including those developed by the Science Based Targets initiative (SBTi) and the Partnership for Carbon Accounting Financials (PCAF). We will continue to evolve our target-setting approach over time based on availability of credible data and target-setting methodologies. For more information on our interim targets, see [page 20](#).





Through a cross-functional collaboration led by the GSO, we established a set of principles to guide the implementation of our 2030 interim net zero targets. These principles affirm our commitment to safeguard our long-term investment performance objectives and deliver attractive risk-adjusted returns. As an asset owner, we engage with asset managers, borrowers, and other stakeholders to leverage our capital and invest in the global energy transition. We recognize the many factors both in and out of our control, including public policy and technological advancements, that may affect our ability to achieve our targets. Lastly, we commit to adopting a transparent and data-driven approach, monitoring and reporting our progress, and recalibrating our targets as needed, based on best practices.

Our ambition to achieve these interim targets and our commitment to achieve net zero portfolio emissions by 2050 is supported by a multiyear roadmap and detailed annual action plans. Our roadmap includes enhancing company-wide capabilities, such as data management tools and learning resources. We are incorporating net zero interim targets and metrics into our standard investment management process, in a way that supports our belief in an engagement-centered approach to encourage decarbonization. For more details on how we integrate sustainability considerations into our investment approach, see [page 11](#).

## Investing in the Global Energy Transition

To advance our net zero portfolio commitment, we actively pursue investment opportunities in solutions

that support the transition to a low-carbon economy and generate long-term value for our policyowners.

For example, in 2023, MassMutual announced our purchase of a majority interest in Counterpointe Sustainable Advisors LLC, a firm focused on real estate financing products for sustainable buildings and energy efficiency, renewable energy, and resiliency measures in commercial properties. This investment builds on a successful 2022 collaboration between Counterpointe and our wholly owned asset management subsidiary, Barings LLC, to originate construction and commercial property assessed clean energy (C-PACE) loans that provided property owners with up to 100 percent financing for energy efficiency, renewable energy, water conservation, and resiliency improvements. Counterpointe will manage sustainable investment assets and provide solutions-based financing for clean energy projects, helping reduce the carbon footprint of commercial real estate and energy infrastructure across the United States.

This complements our ongoing strategic partnership with Low Carbon Limited, a leading renewable energy company based in the U.K. We began working with Low Carbon in 2021, with the objective of accelerating the renewable energy transition through the creation of 20 gigawatts of new capacity by 2030. In 2023, we announced a £400 million investment increase in Low Carbon Limited, helping to significantly expand the company's capacity by providing funding for its pipeline of projects through 2025.

MassMutual Ventures (MMV) launched a \$100 million Climate Technology Fund in 2022 to invest in early- and growth-stage climate technology companies working to address the sources of climate change or provide solutions for managing climate impacts. In 2023, our Climate Technology Fund co-led a \$14 million fundraising round and made its inaugural investment in Cultivo, a public benefit corporation leveraging artificial intelligence (AI)-driven science and technology to accelerate the financing of nature-based carbon removal projects. Cultivo's digital platform allows it to measure how institutional investment in large nature restoration projects can capture carbon, restore biodiversity, improve water storage, and support local communities.

MassMutual continues to deploy our capital to develop low- and zero-carbon energy as part of our sustainable investing strategy. In 2023, we invested \$88 million in renewable energy, bringing our total direct investment in this sector to \$1.8 billion. For more information on our sustainable investing approach, see [page 11](#).

In parallel with pursuing investment opportunities related to the low-carbon transition, we remain focused on identifying, assessing, and managing emerging climate-related risks that have the potential to impact our business strategy. In 2023, this included conducting transition and physical risk scenario analyses to shed light on our long-term business resilience. For more details on our climate scenario analysis, see [page 19](#).

## Net Zero Operational Emissions by 2030

Decarbonizing our operations is a key component of our overall climate strategy. That's why, in 2021, MassMutual committed to reach net zero emissions in our operations by 2030.

In 2023, we disclosed our interim target to reduce our absolute Scope 1 and Scope 2 emissions by 72 percent by 2027, compared to our 2019 baseline year. We considered available frameworks in formulating the target, including the SBTi's Corporate Net-Zero Standard. Our interim target is in line with a 1.5°C scenario and positions us on our path to reach net zero in our operations by 2030. To drive progress toward that ambition, we continue to identify and implement opportunities to reduce emissions, including through use of renewable energy. We collaborate cross-functionally, including with our wholly owned subsidiary MassMutual Ascend, guided by a multiyear roadmap and detailed annual work plans. In addition, we regularly track our emissions, and we review and report our progress.

For further information about MassMutual's operational net zero 2030 commitment, see [page 21](#).

MassMutual has a long history of working to minimize the impact of our operations on the environment. We have done this through a focus on energy conservation and efficiency within our facilities, while promoting a healthier environment for our employees, building tenants, and the community. For example, we

participate in energy demand-response and peak-demand programs at our Springfield, Massachusetts, headquarters to reduce energy consumption and operational costs. As part of this effort, we have implemented automated processes for dimming lights and slowing down or turning off heating, ventilation, and air-conditioning equipment to reduce our power consumption when demands on the local electrical grid are high. Our [Environmental Policy Statement](#) outlines our environmental priorities and actions, demonstrating our commitment to environmental stewardship.

## Risk Management

As a life insurance and financial products company, our most significant exposure to climate-related risks is associated with our GIA, although climate risks may also affect our products, suppliers, and physical operations.

MassMutual monitors a broad range of strategic, financial, and operational risks, including those related to sustainability and climate change. Climate risks are integrated into our ERM framework, enabling the identification, assessment, and management of climate risks across our organization.

We manage enterprise risks, including climate-related risks, using the three lines of defense model, which defines roles and responsibilities to engage employees at every level. Our GSO collaborates with operational business units to serve as the first line of defense, with responsibility to manage climate risks in standard business processes. Our ERM team is our second line of





defense and is responsible for independently ensuring that climate risks are identified, understood, and managed effectively, supported by our GSO. Our Internal Audit team acts as the third line of defense, providing assurance that the company is appropriately managing these risks.

MassMutual conducted a climate risk assessment in 2023 to document potential climate-related risks to our business. This assessment, informed by the Task Force on Climate-related Financial Disclosures (TCFD) framework, considered transition and physical climate risks across our GIA, insurance products, and operations. Our GSO and ERM functions collaborated to identify and evaluate potential climate risks and mitigants over short-, medium-, and long-term time horizons.<sup>13</sup> Examples of risks assessed include market risks (e.g., the potential for repricing of assets due to climate policy and regulations and evolving customer expectations) and policy and legal risks (e.g., increased emissions reporting requirements).

Following the climate risk assessment, we conducted transition and physical risk scenario analyses to delve more deeply into how a range of potential climate outcomes may impact our business. The transition risk scenario

analysis evaluated potential impacts to our corporate bond portfolio under two climate scenarios developed by the Network for Greening the Financial System (NGFS): the Current Policies scenario and the Delayed Transition scenario.<sup>14</sup> The analysis provided a sector-specific view of the diverse factors influencing the transition risk exposure of our corporate bond holdings through 2050.

The physical risk climate scenario analysis evaluated the exposure of select real estate assets, including our offices, supplier offices, and commercial real estate holdings, to acute and chronic climate risks over time. The exposure of assets to 11 climate perils, including tropical cyclone, drought, sea level rise, and flooding, was modeled under low (well below 2°C) and high (increase of 4.4°C by 2100) emissions climate scenarios through 2050.<sup>15</sup> In addition, we explored potential regional impacts in areas where MassMutual has an operational or investment presence.

The results of these assessments inform our continued integration of climate risks into our ERM framework. As we advance this work, we expect to gain additional insights into the potential impacts of climate change on our business and to adapt our metrics and processes accordingly.

<sup>13</sup> For the purpose of this exercise, time horizons have been defined as 1 to 4 years (short-term), 5 to 10 years (medium-term), and 11 to 30 years (long-term).

<sup>14</sup> The Current Policies scenario captures the current state of global climate policy. Under this scenario, transition risk is low but warming of 3°C or more could occur by 2100. The Delayed Transition scenario assumes new climate policies are not introduced until 2030, resulting in higher transition risk due to a more sudden and disorderly trajectory but with warming limited to below 2°C by 2100.

<sup>15</sup> The scenarios considered were developed by the Intergovernmental Panel on Climate Change (IPCC). The high-emissions scenario, which aligns with the Shared Socioeconomic Pathway (SSP) 5-8.5, assumes a future where economic growth is prioritized over environmental concerns, leading to high physical climate risks. The low-emissions scenario, which is aligned with SSP 1-2.6, projects a more sustainable and equitable future that is consistent with meeting the goals of the Paris Climate Agreement.

## Metrics and Targets

Our commitments to achieve net zero greenhouse gas (GHG) emissions in our portfolio by 2050 and in our operations by 2030 comprise our quantitative climate objectives. To drive meaningful progress toward these goals, we set interim decarbonization targets, as detailed below.

### Net Zero Portfolio by 2050

In 2023, we announced 2030 interim targets for our commercial mortgage loans and our power and energy public corporate portfolios, as part of our commitment to reach net zero emissions in our portfolio by 2050. In developing these interim targets, we referenced guidance from recognized frameworks, including those developed by the SBTi and PCAF. We selected these carbon-intensive sectors to start because they have credible transition pathways and represent meaningful emissions from our GIA. A summary of our 2030 interim targets is shown in the table at right.

We recognize that carbon accounting, particularly for financed emissions, is still in its initial stages of development. Given this evolving landscape, we anticipate that our methodologies will also be subject to change over time, as the quality of emissions data improves; new sources of data, guidance, and methodologies develop; and climate scenarios evolve. In line with the principles that guide our target implementation, we will continue to monitor new developments, transparently report on our progress, and adapt as needed.

We continue to build our internal capabilities to support our net zero commitments. In 2023, we focused on establishing data management systems to support ongoing measurement and management of progress against our targets. We continued implementing a software platform to facilitate the calculation of emissions from both our operations and our investment portfolio, enhancing our ability to measure, manage, and report on our progress. As we improve our data-related processes, we plan to disclose our financed emissions, starting with the portfolios for which we have set interim targets.

In addition, our GSO collaborated with colleagues to conduct multiple climate risk and net zero workshops, including on the scope and details of our net zero targets and the tools and processes to integrate net zero metrics into our standard investment approach. For example, we collaborated with an asset manager to provide job-specific training for its commercial mortgage loan team, focusing on integrating our net zero target metrics into its loan processes. We are also launching a company-wide training site to improve climate literacy and enable our employees to integrate climate strategy into their day-to-day work.



## 2030 Portfolio Emissions Reduction Targets

Portfolio Targets	Public Corporate Bonds			Mortgage Loans
<b>Sector</b>	Power Power generation companies	Energy Upstream production, refiners, integrated companies in the oil and gas industry		Commercial real estate Whole building energy consumption
<b>Climate Scenario</b>	IEA Net Zero Emissions 2050	IEA Net Zero Emissions 2050		IEA Energy Technology Perspectives Beyond 2°C Scenario <sup>16</sup>
<b>GHG Scopes Included</b>	Scope 1 and 2	Scope 1 and 2	Scope 3, Category 11	Scope 1 and 2
<b>2030 Interim Target</b>	70% reduction from 2019	42% reduction from 2019	29% reduction from 2019	56% reduction from 2019
<b>Metric</b>	kg CO <sub>2</sub> e/MWh	g CO <sub>2</sub> e/MJ	g CO <sub>2</sub> e/MJ	kg CO <sub>2</sub> e/m <sup>2</sup>

<sup>16</sup> Consistent with SBTi's real estate trajectory for well below 2°C.

## Net Zero Operations by 2030

To advance progress toward our net zero 2030 operational emissions goal, we set an interim target to reduce our absolute Scope 1 and Scope 2 emissions by 72 percent by 2027, compared to our 2019 baseline year. We considered recognized frameworks in

formulating our target, including the SBTi's Corporate Net-Zero Standard, and our interim target aligns with a 1.5°C scenario. To date, we have reduced our absolute Scope 1 and 2 GHG emissions by approximately 57 percent against our 2019 baseline.

## Operational Greenhouse Gas Emissions (metric tons CO<sub>2</sub>e)

Emissions (market-based)	2019 (baseline)	2020	2021	2022	2023
Scope 1	8,766	6,112	6,538	8,320	7,690
Scope 2 (market-based)	20,210	16,890	15,072	11,365	6,163
Carbon Removal Credits Retired	—	—	—	—	-1,538
<b>Total Emissions</b>	<b>28,976</b>	<b>23,002</b>	<b>21,610</b>	<b>19,685</b>	<b>12,315</b>

Emissions (location-based)	2019 (baseline)	2020	2021	2022	2023
Scope 1	8,766	6,112	6,538	8,320	7,690
Scope 2 (location-based)	20,210	16,890	15,072	15,401	13,612
<b>Total Emissions</b>	<b>28,976</b>	<b>23,002</b>	<b>21,610</b>	<b>23,721</b>	<b>21,302</b>

MassMutual is committed to continually evaluating our processes to ensure we use high-quality data and follow industry-recognized procedures and calculations. In 2023, we adjusted GHG inventory boundaries to reflect acquisitions and divestitures, including our acquisition of MassMutual Ascend. In addition, we transitioned to a carbon management software platform and updated our emissions calculation methodology accordingly. All updates were retroactively applied to previous years, including our 2019 baseline year. Consequently, emissions presented in this report differ from those published previously. The scope of our GHG emissions inventory is Massachusetts Mutual Life Insurance Company, MassMutual Ascend Life Insurance Company, and Haven Technologies. We will continue to improve our GHG coverage over time to include additional subsidiaries.

Scope 1 represents direct GHG emissions from leased and owned facilities and vehicles under MassMutual's operational control. Scope 2 covers emissions from purchased energy consumed at MassMutual's facilities. Scope 2 market-based emissions incorporate the impact of Green-e certified renewable energy certificates (RECs) purchased for U.S. facilities. REC purchases included 13,033 MWh renewable electricity retired for 2022 and 24,524 MWh retired for 2023.

We prioritize the reduction of emissions from our operations. However, we acknowledge there are likely to be emissions we are unable to reduce. We address these emissions through verified carbon removal credits. For more information on our carbon removal credit purchases, see [MassMutual Voluntary Carbon Market Disclosures](#).



# Our People



MassMutual's focus on mutuality extends to the people who drive our strategy forward every day. We work to cultivate an inclusive, flexible, and collaborative environment where all employees are seen, valued, and respected – and our culture is a key reason exceptional people join and stay with MassMutual.

We continually look for ways to support our employees' well-being and professional growth. Our training programs and educational resources support career development at all levels. Our benefits are holistic and flexible, designed to meet the evolving needs of our employees, so they can care for themselves and their loved ones in ways that are meaningful to each individual.

## Creating a Thriving Culture

We look for employees who thrive in a culture based on trust and accountability, where a broad range of backgrounds, experiences, and perspectives are valued – and where there is a shared passion for greater equity and opportunity for all.

This approach is embedded in our recruitment strategy, through which we continually work to build a more diverse talent pipeline. We know that having a workforce that reflects our customers and communities enables us to serve them most effectively, and we take a multifaceted approach to diverse hiring and retention. This includes encouraging diverse interview slates where needed for open roles and providing training to help minimize bias during the interview process. For more information on our diversity, equity, and inclusion (DEI) efforts, see [page 26](#).

MassMutual's flexible workplace approach contributes to our culture, combining the importance of connecting in person and the flexibility of working remotely. Our hybrid model prioritizes collaboration, with employees coming together in one of our offices at least three days per week while enjoying the flexibility of remote Fridays, company-wide remote weeks, and a bank of flexible remote weeks for employees to utilize throughout the year.

## Equipping Our People to Grow and Succeed

At MassMutual, we invest in our people so they can grow, develop, and deliver their personal and professional best. We offer a range of resources and programs to equip our

employees with the knowledge and skills they need to succeed in their position, and we partner with employees to support their development. Our learning resources, performance management processes, and job-specific training programs are designed to support development opportunities that are equitable, accessible, and aligned with our business objectives and the needs of our employees.

### Enabling Career Development

Our talent management strategy guides our investments in the workforce to ensure we have diverse, engaged, and highly skilled employees to support our company's priorities. We infuse our culture and values into the onboarding process for new employees to set a strong foundation for their careers at MassMutual. This process includes an initial welcome session and a series of informational meetings over the employee's first 90 days that focus on our business and strategy, culture, benefits, career development opportunities, and community engagement efforts.

We embed personal ownership in our approach to career development to ensure that our people feel empowered and supported to learn and grow. Our "3E model" focuses on three core elements:

- **Experience:** covering on-the-job elements, including stretch assignments, job rotations, and special projects
- **Exposure:** including learning that comes from relationships with colleagues across the company
- **Education:** relating to formal trainings, workshops, and online educational content





For all employees, we offer a thorough performance feedback process with their manager that includes stakeholder and peer feedback, with a goal of 100 percent of employees having two documented check-ins annually. We monitor this metric and report it to the Executive Leadership Team, which includes our CEO. In addition, we provide training to help employees and managers complete the check-in process.

We continue to strengthen our internal leadership pipeline, focusing on talent mobility, talent retention, and succession planning. Across functions and levels, we have set internal goals to create development plans for all eligible employees. To support hiring needs in key functions of the company and develop new pools of talent, we host an early career underwriting program for internal employees interested in a career in underwriting. In addition, we run a program to cultivate early-career actuarial staff, supporting them as they obtain their certifications and providing internal mobility, development, and networking opportunities.

To support the advancement of potential leaders into critical roles across the company, we conduct formal talent management assessments at the start of each year, and results are shared with senior executives. Employees identified through this process are provided with tailored data-driven assessments, programs, and coaching to ensure they have the skills to succeed in future leadership roles.

Our leadership development trainings focus on furthering an understanding of our business and

providing our people with the ability to engage with senior executives across the enterprise. Our Leadership Forum brings together more than 200 of our top leaders to network and to deepen their understanding of MassMutual's strategy and their role in executing it. Our Business Immersion Experience is designed to engage our leaders in simulated decision-making exercises on critical issues to hone their core leadership competencies. Better Conversations Everyday is our peer-to-peer pilot program that helps managers lead effectively. In addition, our Business Resource Groups (BRGs) offer mentoring opportunities. For more information on our BRGs, see [page 28](#).

Our work to foster internal talent extends across our subsidiaries. For example, in 2023, MassMutual Ascend, our wholly owned subsidiary and provider of annuities, piloted an internal mentorship program, which is being rolled out fully in 2024. In addition, MassMutual Ascend launched Manager Essentials, a training program to support effective leadership and overall manager development.

We also have partnerships with various external training and educational organizations that offer development and engagement opportunities for our leaders. This includes continuing to collaborate with the Executive Leadership Council to support the success of senior- and mid-level Black talent across the company. In addition, in 2023, 150 employees from all levels represented MassMutual in an insurance-industry pilot training to advance business acumen.

## Offering Educational and Training Opportunities

We invest in our people's careers to amplify agility and innovation in a rapidly changing business environment. All employees at all levels have access to education and training opportunities offered in person, virtually, and via online platforms, including formal, informal, and self-directed programs to support different learning styles and delivery methods.

To reinforce the importance of employee learning, we have set goals for key areas of employee development. This includes requiring 100 percent of new employees to complete our digital literacy training within their first year. This program, launched in 2021, helps to build a digital-first, agile mindset among all employees across the company. Additionally, 100 percent of managers are required to complete our Manager Essentials courses.

Our online learning platform enables all employees to pursue self-paced learning modules based on individual competency needs, with new learning pathways released on a regular basis. On this platform, we also offer in-depth cultural competency trainings – covering issues such as systemic racism and inclusion practices – for all employees. For more on our DEI efforts, see [page 26](#).

In 2023, our employees spent 29,500 hours participating in corporate training,<sup>17</sup> for

approximately five hours of training per employee. We also encourage and support continued education and professional accreditations in addition to our training offerings, offering tuition reimbursements to full and part-time employees.

## Providing Holistic Employee Benefits

At MassMutual, we look at our suite of benefits as foundational to fostering a culture that people want to be part of and that honors our legacy, while meeting the evolving needs of our employees. We take a holistic approach, from competitive compensation to programs that support our employees' mental, physical, and financial well-being. Our aim is to help our employees and their loved ones, however they define them, feel cared for in all phases of their lives and to enable them to achieve their full potential.

## Empowering Employee Choice

We continue to design our benefits in a way that allows our employees to decide what works best for them. In 2023, MassMutual launched a Well-Being Wallet, providing all MassMutual and MassMutual Ascend employees, including part-time employees, with \$1,250 per year to invest in their total well-being. From ergonomic office furniture to elder care, exercise equipment to

financial planning, this digital wallet reimburses employees for a wide range of eligible expenses. Employees also have the option to use their Well-Being Wallet to reimburse themselves for student loan payments and 529 contributions. In the first year of the program, we reimbursed over \$7 million to our employees.

## Expanding Inclusive Benefits

We are focused on providing our employees and their families with the support they need to face life's challenges. In 2023, we expanded our range of mental health resources, including providing faster access to high-quality providers and services for employees and members of their households. We also offer "take care time" that includes caring for one's mental health, and we quadrupled paid caregiver leave to assist employees caring for a loved one.

To provide even more inclusive access to our benefits, we now offer specialized health advocacy and navigation support for our LGBTQ+ and Black employees and their families. We also added several new voluntary benefits, such as auto and home insurance, pet health insurance, and identity and fraud protection, offering convenient ways for our employees to save money, boost financial health, and protect loved ones.

<sup>17</sup> Enterprise human resources training only; does not include self-directed employee eLearning or business-related training managed by individual groups within MassMutual.

## Listening to Our Employees

In 2023, 94 percent of employees responded to our annual employee engagement survey, continuing more than a decade of exceptional participation. The survey is one of the many ways we listen to our employees to understand what is working and where we can improve. Our overall engagement score was a robust 85 percent, and many areas we measured outperformed our external benchmarks.



# Diversity, Equity, and Inclusion



At MassMutual, our commitment to diversity, equity, and inclusion (DEI) is a business imperative. We strive to create an environment that is equitable and inclusive for our employees, customers, business partners, and the communities that we serve.

For more than a decade, we have been on a deliberate and focused journey to integrate DEI into all that we do. We cast a wide net to recruit the most diverse candidate pool for job openings, and

we foster an inclusive work environment to retain the talent we need to advance our strategy and reach more people. We focus on providing transformative education for our employees, creating shared accountability for our results, and being transparent about our progress. We extend this approach to the communities where we live and work as well.

## DEI Strategy Core Pillars



### WORKFORCE

Ensure equity in our people policies, processes, and procedures to attract and retain diverse talent



### WORKPLACE

Create a work environment where all feel heard, valued, and respected



### MARKETPLACE

Diversify our policyowners and bolster underserved and marginalized communities

## A Diverse Workforce

Our commitment to diversity is unwavering. We strive to create teams that reflect our customers and communities, fostering an environment where all employees are welcomed, valued, and heard.

We have a robust governance structure overseeing our DEI and talent efforts. Our Head of Human Resources has management oversight of the MassMutual DEI program, and our Executive Leadership Team regularly receives updates on our DEI priorities and progress. The Board's Human Resources Committee provides board-level oversight for human capital issues and reviews our workforce representation and talent strategies several times a year.

We monitor our progress in increasing the overall diversity of our workforce, including racial and ethnic diversity overall and in leadership roles, women in leadership roles, and those who voluntarily self-identify as veterans, individuals with a disability, or members of the LGBTQ+ community.

These commitments start at the top: nearly half of MassMutual's Executive Leadership Team and more than half of MassMutual's Board of Directors are women or people of color, making ours one of the most diverse boards among Fortune 500 companies. We continue to publicly report on our progress annually on our website.

## Attracting Diverse Talent

To meet people where they are and support them in the best way possible, we attract diverse talent that represents the customers and communities we serve. We are committed to an inclusive and equitable hiring process. Our hiring managers and interviewers receive specific training designed to help minimize bias throughout the process, and we continue to use diverse interview slates and panels.

In 2023, we continued to grow our network of partnerships to broaden our recruitment reach. To further our investments in future talent, we initiated partnerships with two Historically Black Colleges and Universities (HBCUs) by establishing an on-campus student ambassador program. Student ambassadors





serve as liaisons between MassMutual and the HBCUs, collaborating with the respective schools' business and Science, Technology, Engineering and Math (STEM) programs and supporting targeted on-campus events. MassMutual Ascend also established partnerships with HBCUs and participated in career fairs and expos.

### Advancing Pay Equity

Our commitment to greater equity and opportunity for all extends to how our employees are compensated. Our Statement of Respect and Anti-Discrimination and Harassment Policy prohibits discrimination in compensation decisions. As a standard practice, each time we make a pay recommendation for a new employee, promotion, or otherwise, we review the pay of employees who perform similar work. To promote transparency in pay, we publish salary ranges in the vast majority of our job postings, regardless of whether it is a requirement in that location. This information is also shared with employees through our internal human resources platform and as part of most annual compensation reviews.

For the past 16 years, we have engaged an independent human resources risk management firm to conduct annual adjusted pay gap reviews. These reviews compare compensation by gender and between minority and non-minority employees in the United States, looking for differences within comparable work that could suggest a bias. The analysis looks at pay equity across base pay, bonus, and long-term incentives, and it considers

factors such as type of role and work experience. We review results and work with managers to adjust compensation packages as appropriate.

To further efforts to promote pay equity, we partner with organizations that are advancing this work in our communities. As an anchor signer of the Boston Women's Workforce Council's 100% Talent Compact, we are committed to measuring the raw – or unadjusted – pay gaps for both women and U.S. minorities and to taking steps to eliminate any gaps found. This commitment to measure and address gender and racial pay gaps extends to our entire workforce.

### Promoting Belonging

To support the development of inclusive leaders within MassMutual, we focus on continuous learning, honest conversations, and adaptable thinking and behaviors. Our flagship training programs – Leading Inclusively for Managers and Leading Inclusively for Individual Contributors – are offered several times each year and provide participants the opportunity to increase personal awareness, learn practical tools to help mitigate bias in our workplace, and strengthen the leadership of inclusive teams. With a similar focus and objectives, MassMutual Ascend expanded training on Leading Inclusively in 2023.

We also offer DEI-focused online learning to enable our employees to foster a culture of belonging, support their teams and each other, and build strong allies. In 2023, our employees completed

more than 8,300 DEI-focused online courses. We piloted several additional in-person programs focused on inclusion and disability awareness.

## An Inclusive Workplace

We are focused on building a culture that people want to be part of – one where people can fully be themselves and feel that they are accepted and belong.

### Enabling Employee Connection

At MassMutual, our eight Business Resource Groups (BRGs) support initiatives that drive organizational results, increase employee engagement, and foster awareness, respect, and inclusion within the workplace. Open to all employees, our BRGs are a vital vehicle for our employees to find community and engagement outside their immediate teams. In 2023, more than one-third of employees participated in MassMutual BRGs, representing the following communities: Black/African American, Asian, Hispanic/Latino, LGBTQ+, members of the armed forces, veterans, and military family members, individuals with disabilities, young professionals, and women.

At MassMutual Ascend, the All-Employee DE&I Volunteer Group helps to facilitate DEI initiatives, participates in DEI education and outreach, and offers ideas and recommendations.

## Maintaining Workplace Standards

Our workplace standards reinforce MassMutual's expectations for maintaining a professional and respectful work environment for all, where we operate ethically, with integrity, and in compliance with applicable laws.

Our [Code of Conduct](#), [Equal Employment Opportunity Policy](#), and our Statement of Respect and Anti-Discrimination and Harassment Policy (Statement of Respect) define for our employees the expectations and principles for establishing and maintaining a professional work environment free of discrimination and harassment. We hold employees responsible for valuing and being respectful of others' differences, acting professionally and with honesty and integrity, and immediately reporting any behavior that violates the Statement of Respect.

We conduct regular internal audits and periodic third-party audits on a variety of human capital topics, such as annual compensation, to help ensure we are fostering a workplace free of discrimination. For more on our approach to ethics and compliance, including avenues for employees to report concerns, see [page 40](#).

## Marketplace

We strive to create an environment that is equitable and inclusive for our customers, business partners, and the communities that we serve. We do this by leveraging our own purchasing power to bring economic opportunity to more diverse businesses, partnering with coalitions to advance racial equity and justice, and promoting financial well-being for underserved and marginalized communities.

## Engaging Diverse Suppliers

In 2021, we established a goal to procure at least \$150 million from underrepresented, diverse businesses. Through this effort, we are tapping into nontraditional networks to expand our base of suppliers, making investments in diverse supplier development, and encouraging new ways of working across MassMutual. In 2023, we achieved more than \$65 million in diverse spend.

In 2021, as part of our goal, we launched Forward by MassMutual, a program that helps underrepresented, diverse businesses thrive and grow. Through this initiative and other strategic partnerships, diverse businesses selected by MassMutual receive comprehensive education, business planning, and mentorship to learn specifics about doing business. In its first two years, the program benefited 72 diverse businesses, contributing to our five-year goal of impacting a total of 175 diverse businesses. In 2024, we kicked off our next cohort with 33 diverse-owned businesses.

We continue to evaluate suppliers using our framework for assessing their DEI and sustainability performance. Recently, we began to integrate additional social standards into our [Code of Conduct for Suppliers](#).

## Advancing Equity, Justice, and Financial Well-Being

MassMutual is investing in initiatives that advance racial equity and justice, promote financial well-being for underserved and marginalized communities, and help break down the structures that exacerbate racial and economic inequities.

Our involvement in CEO Action for Racial Equity (CEOARE) – a coalition of nearly 100 companies that mobilizes business leaders across multiple industries and geographies – is one way we drive progress in our communities. CEOARE's mission is to identify, develop, and promote scalable and sustainable public policies and corporate engagement strategies that will address systemic racism and social injustice. MassMutual was instrumental in the launch of CEOARE in 2020, and our CEO serves on the Governing Committee. In 2023, three full-time employees continued to participate in a multiyear fellowship providing support in the following areas: early childhood education, the digital divide, civic engagement, healthy communities, and business diversity.

We are pursuing initiatives to address historic inequities and foster inclusivity in support of the success of our business in a changing world. In 2023, we partnered with two nonprofits and two HBCUs, respectively, to provide multiple four-year tuition scholarships and to establish on-campus student ambassador programs, supporting the schools' business and STEM programs. We continue to promote wealth building in the Black community through our \$2.5 million, five-year commitment to the American College and partnership with its Center for Economic Empowerment and Equality®. We are also advancing Black talent within insurance wholesaling through industry association partnerships.

Our consumer market research is focused on listening and learning about the needs of the communities that we serve, including Black, Asian, Hispanic, and LGBTQIA+ consumers and business owners. One example of how

we are being responsive to the unique needs of diverse communities is the [LGBTQIA+ community-focused campaign](#) we rolled out in 2023. The initiative includes financial planning tools and resources that provide access to financial professionals who specialize in LGBTQIA+ financial planning.

Through the work of the MassMutual Foundation, we are investing in efforts to create more equitable access to social and economic opportunity in the communities where we live and work. For more about our community efforts, see [page 34](#).



# Our Policyowners and Customers



As a mutual company, we operate for the benefit of our participating policyowners and customers, with an enduring focus on providing them financial security, stability, and long-term value.

MassMutual offers a wide range of protection, accumulation, wealth management, and retirement products and services. Whether through our dedicated network of financial professionals, other financial institutions, or employers, we continue to enhance the ways we help people build more secure futures. Underpinning all of this is our unwavering focus on long-term stable performance, which enables us to deliver on our commitments to those who rely on us when they need us the most.

**\$9.1B**

paid in insurance and annuity benefits to policyowners and customers in 2023<sup>18</sup>

**\$2.2B**

estimated dividend payout to policyowners for 2024, the largest in our history<sup>19</sup>

**\$1T**

life insurance in force

**~159,000**

lives newly insured

<sup>18</sup> Consolidated statutory results of Massachusetts Mutual Life Insurance Company and its U.S.-domiciled life insurance subsidiaries: C.M. Life Insurance Company, MML Bay State Life Insurance Company, as well as MassMutual Ascend Life Insurance Company and its U.S.-domiciled life insurance subsidiaries: Manhattan National Life Insurance Company and Annuity Investors Life Insurance Company as of December 31, 2023.

<sup>19</sup> The dividend and dividend interest rate are determined annually, subject to change, and are not guaranteed.

## Reaching People on Their Terms

With a personalized approach, we connect Americans with the financial tools they need to thrive. With our suite of financial solutions and powerful digital capabilities, our dedicated network of financial professionals works with policyowners and customers to help them develop holistic plans to build a more secure, confident future.

In addition, we continue to expand the ways we reach people according to their needs and preferences. This includes MassMutual Strategic Distributors, where we offer products through other financial institutions and independent financial professionals, as well as through MassMutual Ascend, a subsidiary that offers lifetime income solutions through third parties. We also offer voluntary benefits – including life, critical illness, accident, and disability insurance products – through our Worksite business, to help companies provide their employees with protection for managing the unexpected.



## Supporting the Massachusetts FinTech Ecosystem

MassMutual remains committed to supporting innovative technological developments that can better serve our customers. We proudly support the MassChallenge Financial Technology (FinTech) and HealthTech programs, which focus on accelerating the impact of innovative startups through partnerships with leading financial and healthcare companies. In 2023, 55 percent of the FinTech and over 30 percent of the HealthTech startups were minority-founded, while approximately 35 percent of the startups for each program were founded by women. Since 2018, roughly 50 percent of these partnerships have turned into engagements for MassMutual, either as customers, investors, or both.

In addition, MassMutual helped spearhead the creation of the Mass Fintech Hub, a public-private partnership between the state of Massachusetts and leaders from industry, academia, and startup and investor communities focused on making the state a global hub for financial technology. Since its launch in 2021, the organization has engaged more than 2,000 participants in programs including FinTech bootcamps, career fairs, and mentoring workshops. We also sponsor Boston FinTech Week, an event that in 2023 attracted nearly 3,000 attendees from around the globe, focusing on topics related to financial inclusion for underrepresented communities.



## Promoting the Health and Wellness of Our Policyowners

Through our MassMutual Health and Wellness Program, we provide a variety of tools, offerings, and research to help eligible policyowners make informed, proactive decisions that could help them lead longer, healthier lives. We introduced several new initiatives in 2023, including piloting the MassMutual Wellness-Enhanced Lifestyle & Longevity (WELL) Rider. The WELL Rider provides new, eligible MassMutual term life insurance policyowners the opportunity to earn rewards for engaging in healthy behaviors. Participants can receive cash incentives of up to 5 percent of their annual policy premiums for tracking, reporting, and meeting different physical activity and healthy sleeping habit-related goals in the LivingWELL by MassMutual app.

Further, we launched a pilot project offering policyowners the chance to participate in early detection testing for over 50 types of cancer, including several cancers for which no other form of testing is currently available. More than 2,200 policyowners participated in this offering, and 94 percent gave positive feedback on their experience.

We also participated in two collaborative research efforts in 2023. For the first, we offered eligible policyowners a genetic risk assessment service that provided information about their likelihood of developing three common diseases: diabetes, heart disease, and certain cancers. Over 1,400 policyowners participated, with one in five learning they may be at higher risk for preventable diseases and 71 percent planning to take preventive action. In the second research collaboration, MassMutual funded a study that looked at how lifestyle choices impacted the health and wellness of more than 600 college

student volunteers, leveraging data from a ring that tracks movement and sleep.

We maintain strict standards of data privacy and security around these pilots. For more information on our data privacy and security programs, see [page 42](#).

## Focusing on Customers' Needs

Maintaining an awareness of how we are succeeding and how we can improve is a critical component of building long-term relationships with our customers. In 2023, we expanded our customer journey analytics to help us better understand customers' needs and elevate their overall experience with MassMutual.

We are committed to continually understanding how customers and financial professionals experience working with MassMutual. We use Net Promoter Scores (NPS) to drive customer satisfaction across our insurance, annuities, and wealth management businesses, and, in 2023, we integrated NPS performance into our annual goals. Given their crucial role in serving our customers, we track financial professionals' satisfaction and incorporate this into our annual goals as well.

Our customer service employees take part in customer experience principles training. In 2023, 100 percent of our digital operations customer service roles participated in this training. We also conduct regular studies to understand customers' and financial professionals' sentiment, needs, and experience drivers, and we incorporate these insights into our day-to-day engagement with them. We regularly monitor and respond to customer feedback at key touchpoints, such as sales, service calls, claims, and online self-service.

These efforts help us drive enhancements to improve overall customer experience, while informing strategies for making our products and services more inclusive and accessible.

We maintain a robust program to monitor for improper sales practices and potential consumer complaints, led by our Compliance department. For example, we closely monitor internet activity that mentions MassMutual, to investigate and understand concerns. Customers can also report concerns anonymously by phone, email, or through our website. In addition, we conduct customer surveys, and documented complaints are referred to our Compliance department. A customer relations team within the department provides regular updates to senior business leaders on customer complaints, including an assessment of contributing factors. Our Compliance team then works closely with our business leads to implement corrective measures that address these root causes. Through our supervisory program, we review our insurance professionals' communications to guard against misleading information provided to clients and to uncover and investigate potential complaints. We also regularly train our employees on how to identify and refer complaints to our Compliance department for review.

## Transparent Information and Fair Advice

Our ongoing work to provide policyowners and customers with the solutions to meet their needs is supported by an unwavering commitment to ethics, oversight, governance, and risk management.

MassMutual's Product Advisory Committee (PAC) is responsible for the company's insurance product development pipeline and strategic alignment, for product approval, and for ensuring that the overall product portfolio's risk profile is acceptable. The PAC is chaired by MassMutual's

Chief Actuary and includes members of the Executive Leadership Team (ELT), including our CEO and Chief Risk Officer.

Our Legal and Compliance teams partner closely with our businesses on new product development, customer acquisition, service, and claims processes. These teams thoroughly review our marketing materials to check that they comply with applicable laws and regulations, accurately describe our products and services, and appropriately reflect associated financial goals.

Each year, our affiliated financial professionals are required to complete training covering responsible product offering and marketing. In 2023, the training requirements included content on marketing, social media and text messaging practices, protection of customer privacy, and detection and prevention of fraud and money laundering.

Our affiliated financial professionals and their supervisors are provided with a comprehensive online Field Compliance Manual covering all aspects of compliance for business practices, customer privacy, and recordkeeping, as well as product sales and marketing. Our Field Compliance Manual provides the policies, standards, and guidelines for responsible marketing by our financial professionals. These resources are updated throughout the year to ensure that our policies are kept current with the most up-to-date regulatory requirements. To read more on our compliance programs, see [page 40](#).

In addition, we have an extensive program to safeguard our policyowners' and customers' personal and financial information. Our program includes dedicated compliance, risk, privacy, and data ethics associates. For more information on our cyber security and data privacy practices, see [page 42](#).

## Long-Term Investment Performance

As a mutual company, our long-term, diversified approach to investing enables us to be there for our policyowners and customers, whether they need us today, tomorrow, or generations from now. This approach is integral to the management of our General Investment Account (GIA), which backs the obligations we make to our policyowners and customers. Our GIA is well-diversified and managed with a long-term view that allows us to endure short-term fluctuations in asset values. We provide the framework for GIA portfolio construction and investment decision-making in our [Investment Philosophy](#) and detail our financial performance in our [2023 Annual Report](#).



# Our Communities



MassMutual and the MassMutual Foundation are dedicated to advancing social and economic opportunities so that all families can build their financial capabilities and thrive. Supporting the communities we serve is central to our Live Mutual philosophy and how we deliver on our vision to provide financial well-being for all Americans.

## The MassMutual Foundation

The MassMutual Foundation is dedicated to helping create financially healthy futures for all. This commitment is reflected in the MassMutual Foundation's mission and strategic focus.

### Building Financial Resilience: The MassMutual Foundation Approach

#### Mission

The MassMutual Foundation fuels initiatives that increase financial resilience within our communities and cultivates a culture of community engagement for MassMutual's employees and affiliated financial professionals.

#### Strategic Focus

We invest in programs that help people access the support that they need and help them earn, protect, and grow their money. The ability of households to affordably cover a \$400 financial emergency is the key measure of financial resilience the Foundation uses to guide its work.

We support organizations working to drive progress in four strategic areas that are essential for individuals and families to build – and sustain – financial resilience.



#### Use of Networks

Building social capital within communities by helping people connect with each other as well as community and financial resources



#### Financial Health

Investing toward financial well-being for all – supporting programs that increase savings, reduce debt, improve credit, and more



#### Basic Financial Needs

Expanding access to adequate housing, childcare, and other core needs



#### Employment and Income

Building skills-based knowledge and employment opportunities to help people become more financially stable in the long term

# \$26M

donated to community programs in 2023



In 2023, the MassMutual Foundation continued its longstanding support of organizations working to help people develop, secure, and grow their financial capabilities. The following are just a few examples.

### Bolstering Economic Health and Well-Being

In recognition of the inextricable link between financial well-being and more positive health outcomes, the MassMutual Foundation provided a \$3 million grant to Boston Medical Center (BMC) in 2023 to fund the development of an Economic Justice Hub. The Hub will provide families in BMC's Department of Pediatrics with access to key financial services and counseling, while simultaneously addressing roadblocks to financial resiliency, wealth building, and economic independence. The Hub will also create job opportunities with flexible schedules for underemployed parents from low-income, historically disinvested communities.

### Launching the Fenway Park Learning Lab

As part of a 10-year signature partnership between the MassMutual Foundation and the Red Sox Foundation introduced in 2022, the Fenway Park Learning Lab was launched in 2023. This interactive educational program leverages Fenway Park as a teaching tool, combining classroom-based lessons with an immersive experience at one of America's most storied ballparks. Aiming to reach all sixth graders in the Boston Public School system, the Fenway Park Learning Lab welcomed over 1,000 students to the program in 2023 for entertaining, educational activities covering subjects like statistics, history, science, and financial literacy.



## Supporting Financial Education and Inclusion

Expanding access to financial education is a key priority for MassMutual and the MassMutual Foundation, because we know it is an essential driver of economic empowerment. We also recognize the importance of financial inclusion in our communities and seek to support initiatives aligned with this critical issue.

Through FutureSmart<sup>SM</sup>, the MassMutual Foundation offers a national online education program that empowers middle and high school students – as well as their families

and educators – to manage their finances effectively, make sound decisions, and become financially responsible. In 2023, we launched three new modules to the platform entitled “SmartEconomics.” These modules are designed to help students understand how the economy works and the role they play within it. Alongside our strategic partner EVERFI from Blackbaud, we have continued to expand the program since its inception in 2015, reaching 4.5 million students as of the end of 2023. We aim to reach 6 million students by 2025.

We also believe the financial services industry has a key role to play in expanding access

to training and development for financial professionals. In 2023, MassMutual continued our annual commitment to the American College Center for Economic Empowerment and Equality<sup>®</sup>, helping to promote upward mobility, financial literacy, and wealth building among underserved and marginalized communities. Our five-year, \$2.5 million commitment made in 2022 supports leadership development and education for Black financial professionals by broadening access to training for a career in financial services.

## Furthering Financial Inclusion in Our Communities

Since 2019, the MassMutual Foundation has supported Frayser Connect, a collaborative economic and community development initiative in Memphis, Tennessee. Our contributions have helped to develop small business and entrepreneurship initiatives in the Memphis neighborhood of Frayser, including training, employment opportunities, financial savings tools, and counseling.

We also provide funding to Epicenter Memphis, a nonprofit organization working to fuel economic development through support to new and existing entrepreneurs. We work with Epicenter Memphis to

provide small businesses and entrepreneurs in underserved communities with in-depth technical assistance and non-dilutive funds of amounts between \$1,000 and \$20,000, with a focus on the Frayser neighborhood. In doing so, we help to increase access to financial resources, while supporting the organization’s goal of building a more inclusive economy.



## Leveraging Our Business to Support Financial Resilience

Through our core business, we support the financial resiliency of our policyowners and customers every day. We also continually look for opportunities to leverage what we do to advance our vision to provide financial well-being for all Americans. For example, through our LifeBridge<sup>SM</sup> program, we provide free term life insurance policies to traditionally underserved, income-eligible parents and guardians, to help cover their children’s education expenses. Under our LifeBridge<sup>SM</sup> program, MassMutual issues and pays the premiums for \$50,000, 10-year life insurance policies. In the event that the insured parent passes away during the term of the policy, a \$50,000 death benefit is paid to a trust that holds the funds to pay for the child’s educational expenses.<sup>20</sup> Since the launch of the LifeBridge<sup>SM</sup> program in 2002, we have issued over 14,000 policies representing more than \$709 million in coverage, and we have paid \$3.3 million in claims. In order to increase access to this program, we offer LifeBridge<sup>SM</sup> through our standard distribution channels, as well as our affiliated agencies and nonprofit partners.

<sup>20</sup> Trust services are provided by the MassMutual Trust Company, FSB, a wholly owned stock subsidiary of MassMutual.

## Growing a Culture of Community Engagement

Our employees play an essential role in supporting the communities where we live and work. We are proud to support our people in their charitable endeavors and encourage them to give back to local organizations with their time and talent.

Each year, full-time employees receive up to 24 hours of paid time off to volunteer. In addition, the MassMutual Foundation donates up to \$1,500 per employee annually to eligible nonprofits, based on individual volunteer hours tracked. We also match personal donations to eligible nonprofits, up to \$5,000 per employee annually. In 2023, our employees, together with the corporate match, contributed nearly \$2.5 million to over 1,900 nonprofits.



## Giving Back During Our Inaugural Live Mutual Week

Our commitment to strengthening our communities is a cornerstone of the Live Mutual philosophy. In 2023, we reinforced this commitment by introducing Live Mutual Week, a dedicated week of community service for MassMutual employees and affiliated financial professionals. Over 630 employees volunteered their time and talents, for a total of over 1,400 hours spent supporting 34 nonprofits. Volunteers participated in a number of charitable acts, including assembling beds for unhoused individuals, making blankets for veterans, and building and painting fences at a local zoo.



# Governance and Ethics



For more than 170 years, we have upheld a commitment to policyowners and customers to be there in times of need. This lasting promise is rooted in our dedication to conducting business ethically and in compliance with governing laws and regulations.

MassMutual's dedication to integrity, ethics, and sound governance begins with our leaders and Board of Directors. Our [Corporate Governance Guidelines](#) lay out the policies and practices of our Board, which require that at least 75 percent of our directors must be independent.

Our Board Committees have oversight of corporate strategy, including such topics as diversity, equity, and inclusion (DEI); climate change; responsible investment; cyber security; and privacy. The Sustainability Governance section of this report, on [page 8](#), describes how MassMutual manages sustainability issues. More information on our Board Committee charters can be found on our [website](#).

Our governance stems from, and supports, our mutual ownership structure. As a mutual company, MassMutual does not have

shareholders, so we are able to conduct business and make decisions with the long-term interests of our policyowners and customers in mind. Our structure also enables eligible participating policyowners to receive dividends, which we have paid each year since the 1860s. We approved an estimated dividend payout of \$2.2 billion to our eligible participating policyowners for 2024, maintaining an industry-leading dividend interest rate for the 18th consecutive year.<sup>21</sup>

<sup>21</sup> The dividend and dividend interest rate are determined annually, subject to change, and are not guaranteed.

## Compliance and Ethics

MassMutual's Compliance and Ethics programs protect our company, employees, policyowners, and customers, and promote business ethics and values in the workplace. MassMutual's Chief Compliance and Ethics Officer (CCEO) is responsible for these programs at the executive level, including our anti-bribery and anti-corruption policies and practices. The CCEO provides updates to the Audit Committee of the Board, which is responsible for oversight of ethics issues, five times a year regarding risks, mitigation activities, regulatory developments, and employee conduct matters.

Our [Code of Conduct](#) details our norms and expectations for employees to maintain the highest standards of ethics and integrity in their everyday work. In addition, each year we require all employees and temporary personnel to acknowledge that they have read, understand, and commit to adhering to our Code of Conduct. We expect our suppliers to operate according to the same standards of ethics and integrity we uphold. Our [Code of Conduct for Suppliers](#) outlines the principles, values, and expectations we have for them.

### Maintaining an Ethical Culture

To ensure understanding of ethical practices across the business, we require employees and contractors to take annual training courses on ethics and compliance. We have a corporate-wide Compliance and Regulatory Education program

that highlights compliance, regulatory, and ethics issues that are relevant to employees. As part of the program, we require that all employees, including part-time employees and contractors, complete modules on the Code of Conduct; acting ethically and with integrity; and reporting compliance, ethics, integrity, or risk issues or concerns. Examples of other training topics covered include the Health Insurance Portability and Accountability Act (HIPAA), protecting senior and vulnerable adults, and anti-fraud practices.

We provide our employees and contractors with tools to identify compliance and ethics issues, as well as to report concerns anonymously. Our Compliance and Ethics Reporting toll-free hotline is administered by an independent third party and is available to all employees, suppliers, customers, and other third parties globally, 24/7 and in local languages. We complete investigations generally within 30 days of when a report is made. Our Corporate Compliance team engages relevant internal teams based on the specific report. We track all reports made by potential whistleblowers and actions taken in response, and we maintain a non-retaliation policy to protect reporting employees.

In 2023, we continued our "Speaking Up" campaign to encourage employees to report concerns, including a training course and survey to gauge employees' willingness to bring forth compliance and ethics issues. To ensure our employees have

access to reporting tools, links to our "Speaking Up" materials and reporting hotline are included in every employee policy at MassMutual.

Using a risk-based approach, MassMutual conducts regular assessments of compliance and business ethics across all of MassMutual's operations, using a variety of methods, including monitoring, testing, and auditing.

The Compliance and Ethics Department, as well as MassMutual's Corporate Audit Department, conduct a variety of reviews of compliance and ethics risks, including business ethical conduct and anti-corruption. These include periodic compliance assessments or audits of business gifts and entertainment, conflicts of interest, and charitable contributions. These assessments and audits also target appropriate business areas, including annual audits of MassMutual agencies to ensure they are complying with regulatory mandates, customer best interest requirements, and ethical best practices, as well as targeted geographic assessments of ethics and anti-corruption controls for certain international business operations.

The Compliance organization also performs an annual assessment of its top compliance risks. On a quarterly basis, the Compliance organization reviews metrics that are indicators of ethical culture, such as hotline call volume and employee ethics training completion rates.



## Compliance Policies and Practices

MassMutual has built an effective Compliance program that includes employee education, customer due diligence, transaction monitoring, and suspicious activity reporting, among other aspects.

Our Anti-Money Laundering (AML) Policy and accompanying procedures lay out common “red flags” for potential money-laundering activities. Procedures include investigation and reporting requirements, as well as disciplinary actions for employees who fail to report suspicious activity. Our Anti-Bribery and Anti-Corruption Policy guides employees on legal and ethical standards regarding activities such as interactions with government officials, business gifts and entertainment, political and charitable contributions, and others. The policy also outlines responsibilities around recordkeeping, reporting of potentially unethical conduct, and disciplinary actions for noncompliance. All employees and temporary personnel complete an annual acknowledgment of our Anti-Bribery and Anti-Corruption Policy. We monitor operational and escalation processes across affected business units for compliance and to identify and implement appropriate mitigations designed to ensure our employees are upholding these standards.

To ensure compliance with our AML Policy and economic sanctions, our Financial Crimes and Fraud Prevention Compliance team monitors international sanctions requirements, together with company transactions and existing client relationships. Transactions are also monitored for other potential indicators of suspicious activity, including those that may indicate tax evasion. MassMutual conducts customer due diligence related to illegal activities before starting a relationship and has enhanced due diligence for certain higher-risk customers. We also undertake annual audits of our AML program in key areas of the business and periodic assessments of bribery and corruption risks facing

the organization. Our Financial Crimes and Fraud Prevention Compliance team provides annual training to a broad set of employees on these topics.

## Risk Management

Our Enterprise Risk Management (ERM) Framework is integral to serving our policyowners’ and customers’ long-term interests. Our comprehensive approach to risk identification and management is guided by principles set by our Board and considers strategic, financial, and non-financial risks,

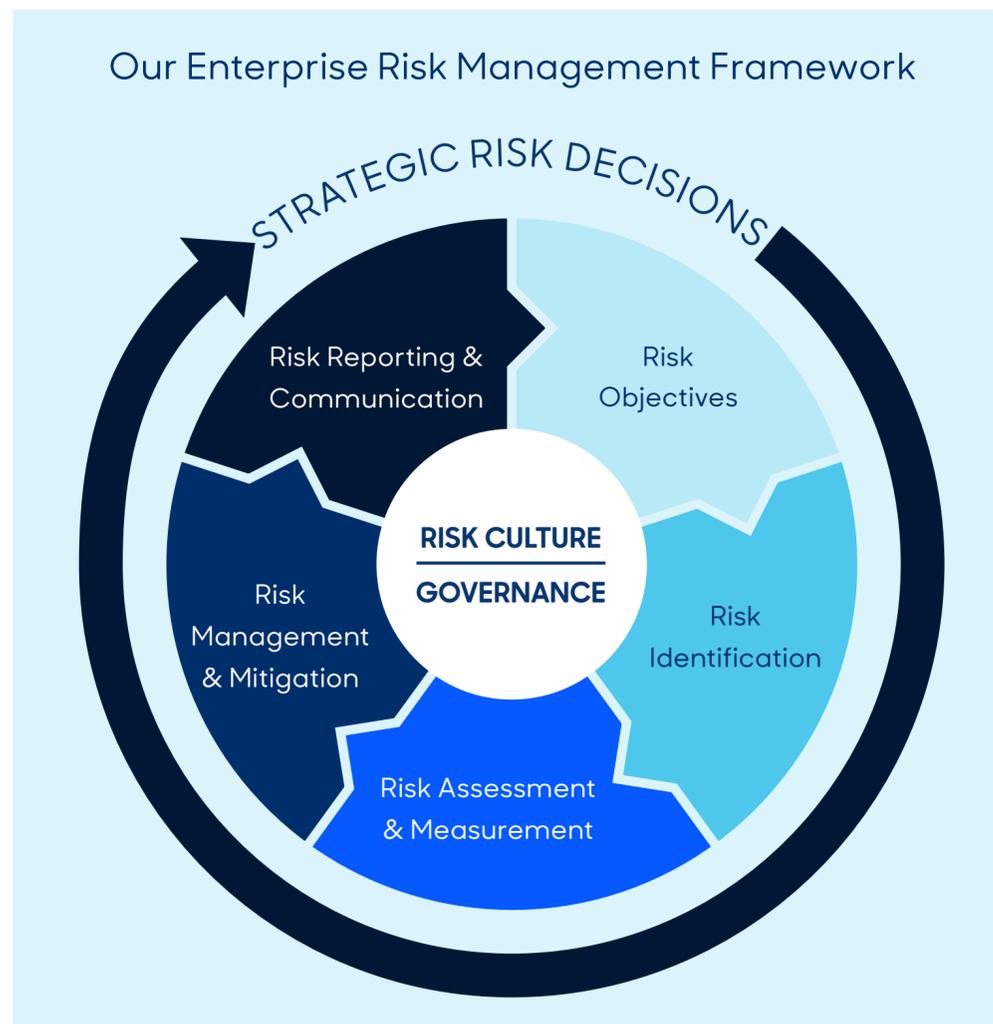
including sustainability-related risks where appropriate. Our Risk Appetite Statement defines our risk tolerance and enables us to execute on our strategic objectives. We identify, assess, manage, and monitor enterprise risk exposures in line with our long-term strategy, to ensure we can deliver on our commitments to our policyowners and customers.

We take a broad view of risk identification, from analyzing trends in the business environment to studying key performance metrics and assessing the capabilities of key competitors. We also analyze medical and public health developments to inform our risk assessments and business planning. Our risk management approach is guided by three lines of defense, to clearly identify roles and responsibilities and ensure all employees are engaged in risk management at some level. Operational business lines are the first line of defense, and they own and manage risks. The second line of defense includes specialized risk managers, and our Internal Audit team is our third line of defense, providing assurance that the company is managing risks appropriately.

Risk owners across the organization utilize risk frameworks and indicators to guide their management of relevant risks. We use centralized technology to document our risks and ensure consistent management and reporting.

Our Chief Risk Officer (CRO), a member of the Executive Leadership Team, oversees our ERM function and reports directly to our Chief Executive Officer. The CRO also leads the Enterprise Risk Committee (ERC), which meets at least quarterly to approve significant risk decisions and policies and review the management of material risks. The Board receives regular reports on risk-related matters from the CRO. More information about our approach to risk management is available on our [website](#).

Climate risk is part of our ERM framework. For more information on MassMutual’s climate risk management, see [page 18](#).





## Cyber Security and Data Privacy

To help ensure safe and responsible handling of our policyowners', customers', and employees' data, MassMutual maintains a robust cyber security and data privacy program. Our Enterprise Technology division takes a comprehensive, risk-based approach to cyber security and data privacy.

Our Head of Enterprise Cyber Security is responsible for the cyber security program and provides updates to the ERC at least quarterly. Our Privacy, Data, and Artificial Intelligence program risks are also reviewed regularly by the ERC. Cyber and data privacy risks are included in the top enterprise risks report reviewed by the Board, which also receives a deep dive on cyber risk semi-annually. The Technology & Governance Committee of the Board has oversight of MassMutual's information and cyber security risks.

Our Cyber Security program is aligned with the National Institute of Standards and Technologies (NIST) Cybersecurity Framework, a widely used approach created by the United States Department of Commerce. We rely on protective controls such as encryption, multi-factor authentication, monitoring, and alerting. We use industry-standard strong cryptographic algorithms on hardware and data transmissions and have implemented protocols to improve delivery and security of email sent to external recipients, including Transport Layer Security (TLS). In addition, MassMutual maintains a set of Data Loss Prevention (DLP) technologies and controls. The Cyber

Security team also maintains an Incident Response Plan and conducts simulated response training and testing at least annually. Every year, elements of our Cyber Security program are audited internally and externally.

MassMutual is committed to strong data stewardship and continues to take steps to integrate data privacy practices within our business and provide a single view of data management risk and opportunities. We maintain strong Privacy and Information Security programs, and we align with privacy and security laws and industry best practices to safeguard the security, confidentiality, and integrity of personal information we receive from policyowners, customers, and employees. We have systems and procedures designed to protect against unauthorized access to, loss, misuse, or modification of confidential or restricted information, including personal information. Our procurement policy requires third-party service provider contracts to specify privacy, data protection, and information security approaches whenever personal information is processed. In 2023, we completed a review of critical third-party contracts to confirm those specifics are included. We conduct data privacy and cyber security assessments on a risk-prioritized, periodic basis.

In 2023, we enhanced the MassMutual Data Privacy program to address the California Privacy Rights Act (CPRA). This legislation extended the California Consumers Privacy Act (CCPA) to add privacy rights of access and control for additional groups, including

our employees. We also strengthened MassMutual's approach to supporting consumer data privacy preferences related to marketing purposes. We provide a toll-free number for policyowners and customers to raise concerns about data privacy, which is publicly available through MassMutual's Privacy Notice.

We require that all employees, including part-time employees and contractors, complete our combined Data Governance, Data Ethics, Privacy, and Cyber Security training annually. The course covers applicable MassMutual policies and procedures that define how we expect employees and contractors to treat the data we receive from policyowners, customers, and employees.

Alongside our efforts to train all our employees in proper data stewardship, we are also working to develop the next generation of cyber professionals, to ensure we have the talent and expertise we need to maintain a best-in-class program. For example, our Cyber Security Career Pathfinder Program, launched in 2022, guides early career employees toward a long-term career in cyber security. Participants, or "Pathfinders," are placed in three job roles over two years and receive a development plan and mentoring throughout each stage of the rotational program. In 2024, the first cohort of Pathfinders will graduate into longer-term, strategic roles in the cyber organization.

# About This Report and Indices (SASB and TCFD)



This is MassMutual's third annual sustainability report, covering our environmental, social, and governance approach, activities, and performance for our fiscal year from January 1 to December 31, 2023. In some instances, activities from previous years and the first half of 2024 are included and clearly noted. This annual report focuses on the most relevant sustainability issues that matter to our business and our stakeholders.

We report on related disclosure topics identified by the Insurance and Asset Management & Custody Activities standards developed by the Sustainability Accounting Standards Board (SASB), which is now overseen by the International Sustainability Standards Board (ISSB), a part of the International Financial Reporting Standards (IFRS) Foundation. The report content is also informed by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which have been

incorporated into the ISSB's Standards, a part of the IFRS Foundation.

The scope of this report is Massachusetts Mutual Life Insurance Company (MassMutual). This aligns with our statutory financial report filing. The inclusion of subsidiaries is noted as we continue to expand sustainability reporting boundaries. For more information, visit [MassMutual.com](https://www.massmutual.com).

For more information on MassMutual's sustainability initiatives, visit our [website](#).

**Contact Information:**

MassMutual  
1295 State St.  
Springfield, MA 01111  
[sustainability@massmutual.com](mailto:sustainability@massmutual.com)

## Sustainability Accounting Standards Board (SASB) Index

Our sustainability report includes relevant disclosure topics identified by the Insurance and Asset Management & Custody Activities standards developed by SASB and overseen by the ISSB, which is a part of the IFRS Foundation. We are committed to continually reviewing the metrics we disclose in line with SASB recommendations and best practices. All data is as of and for the year ended December 31, 2023, unless otherwise noted.

Topic	SASB Accounting Metric	Code	MassMutual Response
<b>Industry: Insurance</b>			
Transparent information & fair advice for customers	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers	FN-IN-270a.1	MassMutual currently does not have material legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers. For further information about legal proceedings generally, see Note 16d in <a href="#">MassMutual Statutory Financial Statements</a> , page 88.
	Complaints-to-claims ratio	FN-IN-270a.2	MassMutual does not disclose this specific metric. We maintain a robust program to monitor for improper sales practices and potential consumer complaints. For additional information, please review the <a href="#">National Association of Insurance Commissioners (NAIC) Consumer Insurance Search</a> .  Our Policyowners and Customers, <a href="#">pages 30-33</a>
	Customer retention ratio	FN-IN-270a.3	MassMutual does not disclose this specific metric. We measure customer satisfaction with a variety of metrics, including surveys, customer focus groups, and net promoter scores that track referrals from existing customers.  Our Policyowners and Customers, <a href="#">pages 30-33</a>
	Description of approach to informing customers about products	FN-IN-270a.4	For individuals considering the purchase of an insurance product, applicants receive information about the policy through product disclosures, illustrations, and client guides, all of which are designed to provide fair and accurate information and are reviewed and approved by our Legal and Compliance teams. Please see Our Policyowners and Customers section on <a href="#">pages 30-33</a> of this report for more information on our approach.  We also provide consumers with a range of tools on our website, such as the <a href="#">Life Insurance Product Comparison</a> , the <a href="#">Annuities Product Comparison</a> , and the <a href="#">MML Investors Services Disclosure Center</a> .
Incorporation of environmental, social, and governance factors in investment management	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	FN-IN-410a.2	Sustainable Finance, <a href="#">pages 10-13</a> <a href="#">MassMutual Sustainable Investment Policy Statement</a>

Topic	SASB Accounting Metric	Code	MassMutual Response
<b>Industry: Insurance</b>			
Policies designed to incentivize responsible behavior	Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors	FN-IN-410b.2	Sustainability and Mutuality, <a href="#">pages 6-9</a> Sustainable Finance, <a href="#">pages 10-13</a> Our Policyowners and Customers, <a href="#">page 32</a> <a href="#">2023 Annual Report</a> , pages 22-23
Environmental risk exposure	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	FN-IN-450a.3	Climate Risks and Opportunities, <a href="#">pages 18-19</a>
Systemic risk management	Exposure to derivative instruments by category: (1) total potential exposure to non-centrally cleared derivatives, (2) total fair value of acceptable collateral posted with a central clearinghouse, and (3) total potential exposure to centrally cleared derivatives	FN-IN-550a.1	See Note 5h in <a href="#">MassMutual Statutory Financial Statements</a> , pages 42-46
	Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities	FN-IN-550a.3	See Note 16 in <a href="#">MassMutual Statutory Financial Statements</a> , pages 85-90 Governance and Ethics, <a href="#">pages 39-42</a>
<b>Activity Metric: Insurance</b>			
	Number of policies in force, by segment: (1) property and casualty, (2) life, (3) assumed reinsurance	FN-IN-000.A	As of year-end 2023, 1,979,539 individual and group life insurance policies are in force. For further information, see <a href="#">MassMutual Annual Statement</a> – Exhibit of Life Insurance, page 109.
<b>Industry: Asset Management &amp; Custody Activities</b>			
Transparent information & fair advice for customers	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers	FN-AC-270a.2	MassMutual currently does not have material legal proceedings associated with marketing and communication of financial product-related information to new and returning customers. For further information about legal proceedings generally, see Note 16d in <a href="#">MassMutual Statutory Financial Statements</a> , page 88.
	Description of approach to informing customers about products and services	FN-AC-270a.3	For individuals considering the purchase of an insurance product, applicants receive information about the policy through product disclosures, illustrations, and client guides, all of which are designed to provide fair and accurate information and are reviewed and approved by our Legal and Compliance teams. Please see Our Policyowners and Customers section on <a href="#">pages 30-33</a> of this report for more information on our approach.  We also provide consumers with a range of tools on our website, such as the <a href="#">Life Insurance Product Comparison</a> , the <a href="#">Annuities Product Comparison</a> , and the <a href="#">MML Investors Services Disclosure Center</a> .

Topic	SASB Accounting Metric	Code	MassMutual Response
<b>Industry: Asset Management &amp; Custody Activities</b>			
Employee diversity & inclusion	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) professionals, and (d) all other employees	FN-AC-330a.1	<a href="#">MassMutual Workforce Demographics</a>
Incorporation of environmental, social, and governance factors in investment management & advisory	Amount of assets under management, by asset class, that employ (1) integration of ESG issues, (2) sustainability themed investing, and (3) screening	FN-AC-410a.1	Sustainable Finance – Sustainable Investing, <a href="#">pages 11-12</a> <a href="#">MassMutual Sustainable Investment Policy Statement</a>
	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	FN-AC-410a.2	Sustainable Finance – Sustainable Investing, <a href="#">pages 11-12</a> <a href="#">MassMutual Sustainable Investment Policy Statement</a>
	Description of proxy voting and investee engagement policies and procedures	FN-AC-410a.3	Sustainable Finance – Sustainable Investing, <a href="#">pages 11-12</a> <a href="#">MassMutual Sustainable Investment Policy Statement</a>
Business ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	FN-AC-510a.1	For further information about legal proceedings generally, see Note 16d in <a href="#">MassMutual Statutory Financial Statements</a> , page 88.
	Description of whistleblower policies and procedures	FN-AC-510a.2	Governance and Ethics, <a href="#">pages 39-42</a> <a href="#">Code of Conduct</a>
<b>Activity Metric: Asset Management &amp; Custody Activities</b>			
	Total assets under management (AUM)	FN-AC-000.A	<a href="#">2023 Annual Report</a> , page 11

## Task Force on Climate-related Financial Disclosures (TCFD) Index

Our sustainability report includes content that is informed by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which have been incorporated into the ISSB's Standards, a part of the IFRS Foundation. We are continuing to develop and expand our climate reporting in line with the existing TCFD recommendations and best practices and are closely monitoring how these standards evolve.

Core Element	TCFD Recommended Disclosure	Location of Disclosures
<b>Governance</b>		
Disclose the organization's governance around climate-related risks and opportunities	<ul style="list-style-type: none"> <li>Describe the board's oversight of climate-related risks and opportunities</li> <li>Describe management's role in assessing and managing climate-related risks and opportunities</li> </ul>	Climate Risks and Opportunities – Governance, <a href="#">pages 15-16</a> Sustainability and Mutuality, <a href="#">pages 6-9</a>
<b>Strategy</b>		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	<ul style="list-style-type: none"> <li>Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term</li> <li>Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning</li> <li>Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario</li> </ul>	Climate Risks and Opportunities – Strategy, <a href="#">pages 16-18</a> Sustainable Finance, <a href="#">pages 10-13</a> <a href="#">MassMutual Sustainable Investment Policy Statement</a>
<b>Risk Management</b>		
Disclose how the organization identifies, assesses, and manages climate-related risks	<ul style="list-style-type: none"> <li>Describe the organization's processes for identifying and assessing climate-related risks</li> <li>Describe the organization's processes for managing climate-related risks</li> <li>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management</li> </ul>	Climate Risks and Opportunities – Risk Management, <a href="#">pages 18-19</a> Governance and Ethics – Risk Management, <a href="#">pages 41-42</a>
<b>Metrics and Targets</b>		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	<ul style="list-style-type: none"> <li>Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process</li> <li>Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas emissions, and the related risks</li> <li>Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets</li> </ul>	Climate Risks and Opportunities – Metrics and Targets, <a href="#">pages 20-21</a>



© 2024 Massachusetts Mutual Life Insurance Company,  
Springfield, MA 01111-0001. All rights reserved.  
MM202706-309417  
MassMutual.com