Dear Members,

At MassMutual, we believe the world works best when we’re there for each other and do all we can to help each other succeed. Looking back on a tumultuous year, it’s clear that this notion — which we call Live Mutual — is more important than ever.

We saw acts of mutuality from people of all walks of life — from front-line workers who made incredible personal sacrifices, to allies who stood up for racial justice, to neighbors who were simply there for each other. At MassMutual, we took hope from these stories, as well as from our commitment to mutuality. As a business operated for the benefit of our participating policyowners and members, we were there for those who relied on us in a difficult time, without taking our eyes off the future.

As a member of our company, you play an important role in shaping this future through your participation in our Annual Meeting. This year, you have the opportunity to vote for the re-election of three members of our Board of Directors. Information regarding these highly qualified individuals and instructions for voting are in the enclosed proxy materials.

While you consider your vote, I’d like to share some of the strong results MassMutual delivered last year, even in the face of unprecedented challenges. Sales from our domestic insurance and retirement operations grew 8 percent to $31 billion, which along with other factors, helped drive operating earnings to $2.6 billion. Our sales momentum also enabled us to grow the insurance protection we provide to more than $831 billion, while we also delivered more than $6.2 billion in insurance and annuity benefits at a time when our customers needed us most.

And during a period of great uncertainty, our excellent financial strength and flexibility remained intact, as total adjusted capital grew to a year-end record of $28.6 billion, while we maintained ratings that are among the highest of any company in any industry. This enabled us to approve an estimated $1.7 billion dividend payout for 2021 to our eligible participating policyowners — the 153rd consecutive year we have paid a dividend.

These numbers reflect more than a strong year in hard times. They reflect years of strategic decisions to make our foundation stronger, our solutions more accessible, and our customer experience more seamless. For instance, one of our most important drivers of success has long been our nationwide network of financial professionals. While other companies have moved away from their agency models, we’ve strengthened and expanded ours. That means our agents were there to provide guidance and reassurance to our customers in 2020, just as they have throughout our history.

Our investments in building a simpler, seamless experience proved equally valuable in a year of rapid digital advancements in our world. We enhanced our digital end-to-end life insurance platform, ensuring families could easily apply for and obtain coverage in a fraction of the time. We expanded our mobile capabilities, helping our customers manage their accounts and our agents connect with more people. And we made progress toward a digital solution that consolidates all financial and account information into one place, which will provide a new level of personalization in our industry.

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While the immediate needs of 2020 often took priority, they did not distract us from taking bold steps for the future. We continued to evolve our portfolio of businesses, actively seeking opportunities to position us strongly for the long-term and help with our goal to continue paying a competitive dividend. We sold our retirement plan business to Empower Retirement, giving us the focus and financial flexibility to grow and strengthen our leadership position in the domestic insurance market, as well as significantly invest in our digital experience. We increased our ownership stake in Rothesay, the largest specialist annuity provider in the U.K., which is expected to generate additional earnings to fuel further growth. And our evolution will continue into 2021, as we expect to close on our acquisition of Great American Life Insurance Company from its parent company, American Financial Group, Inc., in the second quarter of this year, pending customary regulatory approvals. This transaction will broaden our lifetime income offerings and allow us to reach more people, while also providing another diversified source of earnings to deliver long-term value to our policyowners.

Of course, we can only prosper over time if the stakeholders critical to our success thrive as well. That’s why we supported customers during the pandemic with steps like extending deadlines to pay premiums and helping them access hardship funds from their retirement plans quickly and easily. We also supported our employees by offering 80 extra hours of time off for COVID-19-related needs, as well as access to online meditation, exercise, and counseling programs to help them focus on well-being and balancing their work and home lives. And we helped our communities cope with the virus in our own unique way by creating HealthBridge, a free life insurance program that aims to provide a total of $3 billion in protection to eligible healthcare workers on the front lines of COVID-19.3

Finally, to support the growing movement to end systemic racism, we reinforced our longstanding commitment to build a more equitable world. We called upon the progress we have made by making diversity and inclusion a priority at MassMutual for over a decade, as our people welcomed open and candid conversations about race and broader efforts to end ongoing prejudice. Thousands of employees joined learning sessions on how to become better allies, while MassMutual took a leadership role in such efforts as the CEO Action for Racial Equity, a fellowship program in which we are lending our talent and innovation to create real, lasting change.

Last year tested us in ways we never imagined. Now, in 2021, we’re looking ahead to a year of renewal and rebuilding for the global community — and evolution and growth for MassMutual. We’ve never been more committed to our purpose or confident in our ability to achieve it.

Thank you for being part of the MassMutual community. We look forward to working with you this year and for many more to come.

Sincerely,

Roger W. Crandall
Chairman, President & Chief Executive Officer

1 Financial strength ratings for MassMutual and its subsidiaries, C.M. Life Insurance Company and MML Bay State Life Insurance Company, are as follows: A.M. Best Company, A++ (Superior); Fitch Ratings, AA+ (Very Strong); Moody’s Investors Service, Aa3 (High Quality); and S&P Global Ratings, AA+ (Very Strong). Ratings are current as of February 1, 2021 and are subject to change.

2 Dividends are determined annually, subject to change, and are not guaranteed.

3 MassMutual pays the premiums.