Dear Members,

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

Yet while the world continues to shift dramatically, our pledge to you has stayed the same: to provide stability and security in a world of change and uncertainty. In 2018, we were proud to advance that commitment — and put ourselves in a stronger position to have a lasting impact on the lives of the people we serve.

As a member of our company, you play a role in this important endeavor through your participation in our Annual Meeting. This year, you have the opportunity to vote for the re-election of two members of our Board of Directors. You will find more information regarding these highly qualified individuals and instructions for voting in the enclosed proxy materials.

While you consider your vote, I’d also like to share some of our successes over the past year. In 2018, strong demand for our holistic financial solutions drove revenue to a record $32 billion, while helping to increase the insurance protection we provide to more than $700 billion, giving people the security and peace of mind needed to face life’s uncertainties.

These commitments were supported by a company as financially strong as ever, as we increased our total adjusted capital to nearly $20 billion and maintained among the highest ratings of any company in any industry.1 This same stability enabled us to approve an estimated $1.72 billion dividend payout in 2019 to our eligible participating policyowners — our highest payout ever and the 151st consecutive year we have paid a dividend.2 Most importantly, we continued to fulfill our commitments to you, delivering more than $5.3 billion in benefits, helping those who rely on us to build a more confident future.

At the same time, we continued to evolve our strategy to stay nimble while seizing opportunities to position us strongly for the long term. One of our biggest priorities continues to be responding to the biggest trend reshaping our world — digital transformation — so we can make our solutions more affordable and accessible to more people. We used data analytics to provide protection in a fraction of the time, identified better ways to keep your assets safe, and helped you make the best real-time decisions about your finances, all while also providing our dedicated network of advisors with expanded digital capabilities to serve you better.

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While we adapt to immediate trends, we have also taken steps to maintain our long-term performance. As such, we have begun to evolve our approach to what have long been our key strategic differentiators — our international insurance and asset management businesses — by finding successful and innovative partners to help maximize their value.

The 2018 sale of our majority interest in MassMutual Japan to Nippon Life, as well as the sale of MassMutual Asia to Yunfeng Financial Group and several Asia-based investors, are primary examples. Both transactions enable us to benefit from maintaining an ongoing interest in strongly positioned entities, as well as through potential strategic partnerships that will yield additional opportunities over time. We expect to reap similar advantages with our transaction announced last October, in which OppenheimerFunds, Inc., our retail asset management affiliate, will combine with Invesco Ltd. to form one of the largest asset management firms in the world. Expected to close in 2019, the transaction will give us the largest ownership stake in the combined firm, with expanded global scale, greater diversity of offerings, and additional capital that will increase our financial strength.

Moves like these — and the opportunities they bring — are why I’m so confident in MassMutual’s future. Still, one thing makes me most confident of all: our people. Our approach has long been founded on the principle that people who are at their best in life are at their best at work, so we continue to invest in our employees to put them in the best position to succeed. We did this in 2018 by modernizing and expanding our benefits to give our employees greater choice and flexibility, as well as announcing plans to expand our presence in our home state — recommitting to the city we have called home since our founding and establishing a new Boston campus. This will create an overall environment that fosters greater collaboration and innovation for generations to come.

Taken together, our ongoing progress puts us in a strong position to continue what has driven us since the beginning: helping people secure their future and protect the ones they love. Thank you for being part of the MassMutual community. We look forward to working with you to be a reliable and trusted partner in life’s biggest moments — this year and for many years 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, Aa2 (Excellent); and Standard & Poor’s, AA+ (Very Strong). Ratings are as of February 1, 2019, and are subject to change.

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