

Creating Value for Policyowners

Massachusetts Mutual Life Insurance Company (MassMutual®)
Strategic Businesses and Investments

Since 1851, MassMutual's business decisions have been guided by a commitment to provide financial security and enduring value to our participating policyowners. We continue to be a mutual life insurance company that operates primarily for the benefit of these policyowners. This has allowed us to take a long-term business approach that has delivered exceptional financial results while maintaining financial strength ratings¹ that are among the highest of any company in any industry.

The dividends we pay to eligible participating whole life policyowners include three components that reflect the company's operating experience with respect to mortality (death claims), investment results, and expense savings. The investment component of the dividend is based on the Dividend Interest Rate² set by the Board of Directors each year. **While dividends are not guaranteed, MassMutual has paid them to eligible participating policyowners every year since 1869.**

Strategic Businesses and Investments

Like most insurance companies, MassMutual invests in relatively conservative assets — primarily investment grade bonds and commercial mortgages. However, we also have a long history of investing in strategically aligned insurance and financial service businesses. This investment strategy has allowed us to deliver greater long-term value to our whole life policyowners.

Over a period of many years, we have acquired and built a diverse mix of high-performing businesses and investments. These include our institutional and worksite operations, non-participating insurance and annuity operations, ownership interests in global asset management companies and other investments. This strategy has added diversity to our portfolio and enhanced our product offerings while delivering very attractive long-term investment results.

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¹ Financial strength ratings are as of December 30, 2021: Best: A++ (Superior); Fitch Ratings: AA+ (Very Strong); Moody's Investors Service: Aa3 (High Quality); and Standard & Poor's: AA+ (Very Strong). Ratings apply to Massachusetts Mutual Life Insurance Company (MassMutual) and its subsidiaries, C.M. Life Insurance Company and MML Bay State Life Insurance Company, Springfield, MA 01111-0001. Ratings are subject to change.

² The dividend and dividend interest rate (DIR) are determined annually, subject to change and are not guaranteed. Dividends for eligible participating life insurance policies consist of investment, mortality and expense components. The DIR is used to determine the investment component of the dividend. It is not the rate of return on the policy and should not be the sole basis for comparing insurers or policy performance.

STRATEGIC BUSINESS INVESTMENTS

BARINGS



MassMutual
Ventures



Rothsay



Non-Participating
Insurance & Annuities

Institutional
and Worksite

Distributable Other Business Earnings are earnings from our strategic businesses and investments that can be retained as surplus, distributed to eligible participating policyowners as dividends, or used to fuel further growth. **From 2012 to 2021 these earnings increased at a compound annual growth rate of over 12%.**

The growth of these earnings has benefited our whole life policyowners in several ways. First, it has helped us to pay an **industry-leading Dividend Interest Rate²** over the last 16 years. Second, it has enhanced our financial strength and stability by helping us grow our total adjusted capital and surplus. And finally, it has allowed us to take advantage of new and larger investment opportunities that will continue to serve policyowners for decades to come.

MassMutual's 2022 Dividend Schedule

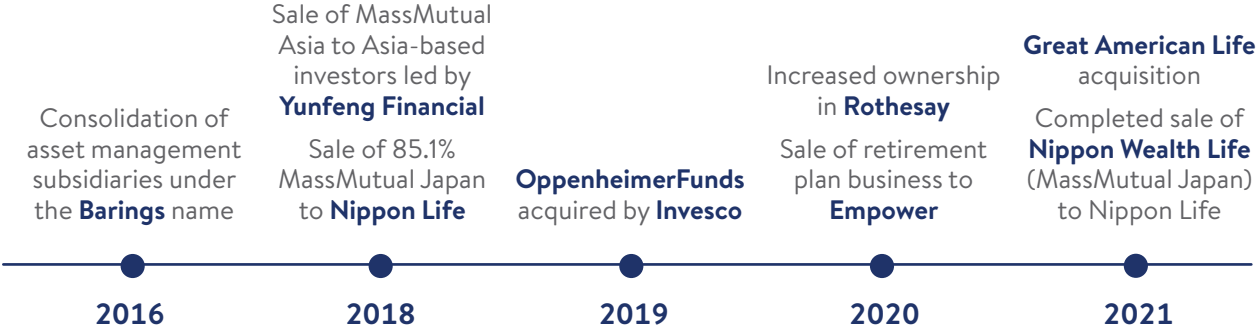
In November of 2021, MassMutual's Board of Directors approved an estimated 2022 dividend payout of nearly \$1.85 billion — the largest in our company's 170-year history. In addition, MassMutual maintained a 6.00% dividend interest rate for 2022.² This rate reflects our strong overall investment experience, including strong earnings from our portfolio of strategic businesses and investments. Specific examples include:

- Strong year-over-year sales growth in our institutional solutions, worksite and non-participating insurance businesses, including annuities.
- Solid operating results at Barings, our institutional asset management subsidiary. This was driven by strong performance across many asset classes.
- A notable increase in the stock price of Invesco, where MassMutual is the largest shareholder. Invesco's assets under management grew to record levels in 2021.

Maintaining a highly competitive dividend payout in this environment is a testament to MassMutual's financial strength, our enduring focus on our policyowners and customers, and our long-term approach to managing our business.

The Evolution of MassMutual’s Strategic Business Investing

Our portfolio of other businesses and strategic investments has evolved over time. The following summarizes some of the more recent transactions involving these businesses:



2016

MassMutual consolidated a number of its asset management subsidiaries under the **Barings** name. Barings is a global institutional investment management firm with expertise in fixed income, real estate and specialist equity markets investing. They also manage MassMutual’s general investment account.

2018

MassMutual International sold 85.1% of MassMutual Japan to **Nippon Life Insurance Company** (Nippon Life). MassMutual Japan was renamed Nippon Wealth Life Insurance Company Ltd. (Nippon Wealth Life) on January 1, 2019.

MassMutual Asia was sold to a group of Asia-based investors led by **Yunfeng Financial Group**. In addition to cash, MassMutual retained a 24.8% stake in Yunfeng FG.

2019

OppenheimerFunds, Inc. was sold to Invesco in exchange for an approximate 15.7% ownership stake in the common stock of **Invesco Ltd.** and approximately \$4B in noncumulative perpetual preferred shares with a 21-year non-call period and a fixed rate of 5.9%. Invesco is one of the largest investment management companies in the U.S., and MassMutual is the largest shareholder. **OppenheimerFunds, Inc.** was originally acquired by MassMutual in 1990 for approximately \$150 million.



2020

MassMutual increased its ownership interest in **Rothsay** from 25% to around 49%. **Rothsay** is the largest specialty annuity provider in the UK that has delivered strong and stable returns since our initial investment in 2013.

MassMutual's retirement plan business was acquired by **Empower Retirement**. This transaction gave us the ability to grow and strengthen our leadership position in the domestic insurance market and make a significant investment in our digital experience.

2021

MassMutual acquired **Great American Life Insurance Company** from its parent company American Financial Group, Inc. for approximately \$3.5 billion. **Great American Life** is a leader in the fixed and indexed annuity market with competitive products and strong distribution relationships.

MassMutual completed the sale of its remaining interest in **Nippon Wealth Life** to Nippon Life. The proceeds increased our already strong capital position and supports future business growth.

Our global venture capital firm, **MassMutual Ventures LLC**, invests in startups and entrepreneurs whose technology has the potential to transform how we do business. Since 2014, it has backed nearly 40 companies and manages more than \$450 million in assets across five funds in the U.S. and Asia.

Overall, strategic business investing has been an important competitive advantage for MassMutual that has allowed us to deliver long-term value to our whole life policyowners.

Participating whole life insurance policies issued by Massachusetts Mutual Life Insurance Company (MassMutual), Springfield, MA 01111-0001.

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