

# State of Nebraska

## 120084 O5 MetLife - STD LTD RFP

### TABLE OF CONTENTS

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<b>Cover Letter</b>	<b>File 2 of 22</b>
<b>Signed Contractual Agreement Form</b>	<b>File 3 of 22</b>
<b>Terms and Conditions (II)</b>	<b>File 4 of 22</b>
<b>Vendor Duties (III)</b>	<b>File 5 of 22</b>
<b>Payment (IV)</b>	<b>File 6 of 22</b>
<b>Project Description and Scope of Work (V)</b>	<b>File 7 of 22</b>
<b>Attachment A – Vendor Requirements Matrix (V.C)</b>	<b>File 8 of 22</b>
<b>Corporate Overview (VI.1)</b>	<b>File 9 of 22</b>
<b>Technical Response (VI.2)</b>	<b>File 10 of 22</b>
<b>Cost Proposal</b>	<b>File 11 of 22</b>
• <b>MetLife Disability Proposal Assumptions &amp; Caveats</b>	<b>File 12 of 22</b>
• <b>MetLife Disability Plan Deviations</b>	<b>File 13 of 22</b>
• <b>MetLife IPCN</b>	<b>File 14 of 22</b>
• <b>MetLife Privacy Notice</b>	<b>File 15 of 22</b>
<b>Exhibits</b>	
• <b>Exhibit 1 - MetLife Clarifications and Deviations</b>	<b>File 16 of 22</b>
• <b>Exhibit 2 - Nebraska Certificate of Compliance</b>	<b>File 17 of 22</b>
• <b>Exhibit 3 - Sample Enrollment Kit</b>	<b>File 18 of 22</b>
• <b>Exhibit 4 - Enrollment and Communications Plan</b>	<b>File 19 of 22</b>
• <b>Exhibit 5 - Implementation Timeline</b>	<b>File 20 of 22</b>
• <b>Exhibit 6 - Performance Guarantees</b>	<b>File 21 of 22</b>
• <b>Exhibit 7 - 2023 MetLife Annual Report</b>	<b>File 22 of 22</b>

**Additional Documents**

- **Critical Illness Insurance Attained Age Proposal**
- **Group Accident Insurance Proposal**
- **Group Hospital Insurance Proposal**

# State of Nebraska

## State of Nebraska Short and Long Term Disability Benefits Executive Summary

Dear State of Nebraska State Purchasing Bureau, Department of Administrative Services, and other committee members,

Thank you for the opportunity to present a proposal for your Short and Long Term Disability Benefits Programs! We are excited to share competitive proposals that will enhance the employee experience, provide robust support for the HR and Benefits team, and create a strong partnership between our organizations.

Our focus and commitment to state employee benefit plans remains unparalleled in the insurance industry and we hope you will find our proposal exceeds your expectations on cost, product portfolio and administration.

Our proposal includes Upwise Benefits Engagement Platform to help employees understand their benefits options, make decisions to best support their individual needs, and use benefits when they need them. All costs of enrolling and administering the entire program are included in our proposed rates.

### **MetLife Proposal Advantages for the State of Nebraska:**

- Significant Employee Savings
  - o Savings for employees on both short term and long-term disability. By lowering the rates to an appropriate risk level, we anticipate driving even more participation on the plan with STD rates being 1/3 of current costs.
- Allows more employees access to needed coverage
  - o The current STD plan requires both evidence of insurability to enroll, as well as a 3/12 pre-ex on the plan.
  - o We agree to allow a true open enrollment so employees can come onto the plan with no restrictions at the next open enrollment.
  - o We will agree to remove the pre-ex from the plan after the effective date.
  - o This one-time true open enrollment provides a unique opportunity for employees to enroll with no statement of health. Those who may run out of vacation or sick leave in their accumulated bank may have enough days to last for several weeks but allowing late enrollees onto the plan provides the peace of mind that after their other days are exhausted, they can still have paycheck protection.
- Commitment to Outstanding Service Delivery
  - o MetLife is offering performance guarantees worth 2% of the overall premium at risk to demonstrate our commitment to excellence for employees and HR
  - o Demonstrating our commitment to implementation and ongoing service by place .25% at risk each year
- Communications support
  - o The designated Communications Specialist will work with the State and any partners to provide a recommended strategy for educating employees on their benefits, coverage changes, and how to get the most value from their plans
- Strategic Partnership with MetLife National Accounts
  - o We are honored by the opportunity to provide an experienced Senior Account Team

# PROPRIETARY & CONFIDENTIAL

- assigned to the State of Nebraska, all based locally in the Midwest
- MetLife Strategic Partner of Workday
  - o The Workday Wellness program reduces complexity by enabling streamlined data integrations. It will enable the exchange of data in real time via a set of APIs including Leave, SOH, Plan Design and Enrollment/Eligibility as well as the opportunity for new APIs such as enrollment validation and Billing.
  - o By partnering with Workday as a Wellness partner, we are making it easier for employees to engage with a full suite of benefits and wellness offerings, all from within the Workday system.
- One MetLife
  - o Employees have one number to call for Disability or any future voluntary benefits
  - o There is one portal for submitting claims and viewing claims information for both employees and HR
  - o Benefits are connected so a Disability claim could proactively trigger a proactive payment for a Hospital Indemnity, Accident, or Critical Illness claim, further maximizing the value of the benefits for employees
  - o Please note that if MetLife's Voluntary Benefit package is bundled with the STD and LTD, the STD and LTD rates can be reduced by -2%. The Voluntary Benefit package includes Critical Illness, Hospital Indemnity and Group Accident coverage.

## **MetLife Public Sector Expertise:**

- o MetLife serves over 3,300 public sector employers and two-thirds of state governments across the country.
- o MetLife National Account manages the largest life contract in the world with Federal Employees' Group Life Insurance (FEGLI) since 1954. The contract The FEGLI program covers 4.2M lives.
- o Our public sector customers for Life and/or Disability include State of Illinois, State of Minnesota, State of Michigan, State of Georgia, South Carolina Public Employee Benefit Authority, Washington State Health Care Authority and Public Employees Benefits Board, State of New York, Commonwealth of Massachusetts, State of South Dakota, State of Tennessee, State of New Hampshire, State of Alaska, State of West Virginia and Puerto Rico. Our focus and commitment to state employee benefit plans remains unparalleled in the insurance industry.

## **MetLife Disability Advantages:**

- Employees will benefit from simple and supported STD and LTD experience. Most STD claims are auto adjudicated leading to approval decision on the intake call. If the State would like to amend the policy after the effective date to remove the pre-ex, even more claims will be auto-adjudicated and receive same day, same call decisions.
- Our team of resources like behavioral health coaches and vocational nurses are engaged at the right time to provide best return to health and return to work outcomes.
- State of NE will benefit from an HR resource to support all claim questions. Your Disability Advocate is available to respond quickly to claim inquiries. State of NE HR will also have the ability through our employer portal, MetLink, to engage in chat directly with the Disability Advocate. The chat functions works similar to teams messaging with average response times under one minute.

## MetLife Broad Suite of Voluntary benefits:

- For the State's consideration we have included proposals and summaries for Accident and Health Insurance. We have included summaries of these products and highlights of the plan features.
- Unique to MetLife: Upwise Benefits Engagement Platform that provides personalized decision support and yearlong engagement based on a member's personal health, financial, lifestyle and risk-tolerance factors. This A.I.-powered, user-friendly experience delivers an individual recommendation for each member, and helps members get the most value out of their benefits throughout the year by triggering personalized "nudges" when an elected benefit or point solution that the State offers across your entire benefits offering may be applicable. The value of this feature included with the MetLife offering is approximately \$1.50 per member per month, provided at no charge.
- Savi: Through our Nayya Benefits Engagement Platform, we will make available to the State our partnership with Savi, an application that leverages data to help those with student debt find the best government student loan repayment program, including facilitating the application for programs such as the Public Service Loan Forgiveness and other IDR programs. As a public entity, all of your members with student debt are eligible for many of these programs and Savi can provide substantial value in helping them with a recommendation and application for these programs. Savi users save an average of \$150 per month on their monthly payments and have either received or are on track for \$20,500 in loan forgiveness.

We look forward to more in-depth conversations about your benefits program and hope to earn the opportunity for a finalist meeting. My role as your Senior Account Executive is to ensure everything MetLife does exceeds your expectations. Your Account Team is with you from this time of quote, through implementation, and during the life of the program. Our job is to work every day to build custom solutions for you. It would be my honor and pleasure to work with The State of Nebraska, and I appreciate your consideration.

Sincerely,



Leah McCrady

Senior Account Executive, MetLife National Accounts

Lmccrady@metlife.com/ cell: 281-450-0088

## CONTRACTUAL AGREEMENT FORM

### BIDDER MUST COMPLETE THE FOLLOWING

By signing this Contractual Agreement Form, the bidder guarantees compliance with the provisions stated in this solicitation and agrees to the terms and conditions unless otherwise indicated in writing and certifies that bidder is not owned by the Chinese Communist Party.

Per Nebraska's Transparency in Government Procurement Act, Neb. Rev Stat § 73-603, DAS is required to collect statistical information regarding the number of contracts awarded to Nebraska Vendors. This information is for statistical purposes only and will not be considered for contract award purposes.

X  NEBRASKA VENDOR AFFIDAVIT: Bidder hereby attests that bidder is a Nebraska Vendor. "Nebraska Vendor" shall mean any bidder who has maintained a bona fide place of business and at least one employee within this state for at least the six (6) months immediately preceding the posting date of this Solicitation. All vendors who are not a Nebraska Vendor are considered Foreign Vendors under Neb. Rev Stat § 73-603 (c).

N/A  I hereby certify that I am a Resident disabled veteran or business located in a designated enterprise zone in accordance with Neb. Rev. Stat. § 73-107 and wish to have preference, if applicable, considered in the award of this contract.

N/A  I hereby certify that I am a blind person licensed by the Commission for the Blind & Visually Impaired in accordance with Neb. Rev. Stat. § 71-8611 and wish to have preference considered in the award of this contract.

### THIS FORM MUST BE SIGNED MANUALLY IN INK OR BY DOCUSIGN

COMPANY:	Metropolitan Life Insurance Company
ADDRESS:	200 Park Avenue, New York, NY 10166
PHONE:	281-450-0088*
EMAIL:	lmccrady@metlife.com*
BIDDER NAME & TITLE:	Timothy Jander, Vice President
SIGNATURE:	
DATE:	December 12, 2024

VENDOR COMMUNICATION WITH THE STATE CONTACT INFORMATION (IF DIFFERENT FROM ABOVE)	
NAME:	*Leah McCrady
TITLE:	Sr. Account Executive
PHONE:	281-450-0088
EMAIL:	lmccrady@metlife.com

## II. Terms and Conditions

Bidder should read the Terms and Conditions within this section and must initial either “Accept All Terms and Conditions Within Section as Written” or “Exceptions Taken to Terms and Conditions Within Section as Written” in the table below. If the bidder takes any exceptions, they must provide the following within the “Exceptions” field of the table below (Bidder may provide responses in separate attachment if multiple exceptions are taken):

1. The specific clause, including section reference, to which an exception has been taken;
2. An explanation of why the bidder took exception to the clause; and
3. Provide alternative language to the specific clause within the solicitation response.

By signing the solicitation, bidder agrees to be legally bound by all the accepted terms and conditions, and any proposed alternative terms and conditions submitted with the solicitation response. The State reserves the right to negotiate rejected or proposed alternative language. If the State and bidder fail to agree on the final Terms and Conditions, the State reserves the right to reject the solicitation response. The State reserves the right to reject solicitation responses that attempt to substitute the bidder’s commercial contracts and/or documents for this solicitation.

Accept All Terms and Conditions Within Section as Written (Initial)	Exceptions Taken to Terms and Conditions Within Section as Written (Initial)	Exceptions: (Bidder must note the specific clause, including section reference, to which an exception has been taken, an explanation of why the bidder took exception to the clause, and provide alternative language to the specific clause within the solicitation response.)
	X	Please see Exhibit 1 - MetLife Clarifications and Deviations provided with our proposal response for exceptions.

The bidders should submit with their solicitation response any license, user agreement, service level agreement, or similar documents that the bidder wants incorporated in the Contract. The State will not consider incorporation of any document not submitted with the solicitation response as the document will not have been included in the evaluation process. These documents shall be subject to negotiation and will be incorporated as addendums if agreed to by the Parties.

If a conflict or ambiguity arises after the Addendum to Contract Award has been negotiated and agreed to, the Addendum to Contract Award shall be interpreted as follows:



1. If only one (1) Party has a particular clause, then that clause shall control,
2. If both Parties have a similar clause, but the clauses do not conflict, the clauses shall be read together,
3. If both Parties have a similar clause, but the clauses conflict, the State's clause shall control.

## **A. GENERAL**

1. The contract resulting from this Solicitation shall incorporate the following documents:
  - a. Solicitation, including any attachments and addenda;
  - b. Questions and Answers;
  - c. Bidder's properly submitted solicitation response, including any terms and conditions or agreements submitted by the bidder;
  - d. Addendum to Contract Award (if applicable);and
  - e. Amendments to the Contract. (if applicable)

These documents constitute the entirety of the contract.

Unless otherwise specifically stated in a future contract amendment, in case of any conflict between the incorporated documents, the documents shall govern in the following order of preference with number one (1) receiving preference over all other documents and with each lower numbered document having preference over any higher numbered document: 1) Amendment to the executed Contract with the most recent dated amendment having the highest priority, 2) Executed Contract and any attached Addenda 3) Addendums to the solicitation and any Questions and Answers, 4) the original solicitation document and any Addenda or attachments, and 5) the Vendor's submitted solicitation response, including any terms and conditions or agreements that are accepted by the State.

Unless otherwise specifically agreed to in writing by the State, the State's standard terms and conditions, as executed by the State, shall always control over any terms and conditions or agreements submitted or included by the Vendor.

Any ambiguity or conflict in the contract discovered after its execution, not otherwise addressed herein, shall be resolved in accordance with the rules of contract interpretation as established in the State of Nebraska.

## **B. NOTIFICATION**

Bidder and State shall identify the contract manager who shall serve as the point of contact for the executed contract.

Communications regarding the executed contract shall be in writing and shall be deemed to have been given if delivered personally; electronically, return receipt requested; or mailed, return receipt requested. All notices, requests, or communications shall be deemed effective upon receipt.

Either party may change its address for notification purposes by giving notice of the change and setting forth the new address and an effective date.

### **C. BUYER'S REPRESENTATIVE**

The State reserves the right to appoint a Buyer's Representative to manage or assist the Buyer in managing the contract on behalf of the State. The Buyer's Representative will be appointed in writing, and the appointment document will specify the extent of the Buyer's Representative authority and responsibilities. If a Buyer's Representative is appointed, the bidder will be provided a copy of the appointment document and is expected to cooperate accordingly with the Buyer's Representative. The Buyer's Representative has no authority to bind the State to a contract, amendment, addendum, or other change or addition to the contract.

### **D. GOVERNING LAW (Nonnegotiable)**

Notwithstanding any other provision of this contract, or any amendment or addendum(s) entered into contemporaneously or at a later time, the parties understand and agree that, (1) the State of Nebraska is a sovereign state and its authority to contract is therefore subject to limitation by the State's Constitution, statutes, common law, and regulation; (2) this contract will be interpreted and enforced under the laws of the State of Nebraska; (3) any action to enforce the provisions of this agreement must be brought in the State of Nebraska per state law; (4) the person signing this contract on behalf of the State of Nebraska does not have the authority to waive the State's sovereign immunity, statutes, common law, or regulations; (5) the indemnity, limitation of liability, remedy, and other similar provisions of the final contract, if any, are entered into subject to the State's Constitution, statutes, common law, regulations, and sovereign immunity; and, (6) all terms and conditions of the final contract, including but not limited to the clauses concerning third party use, licenses, warranties, limitations of liability, governing law and venue, usage verification, indemnity, liability, remedy or other similar provisions of the final contract are entered into specifically subject to the State's Constitution, statutes, common law, regulations, and sovereign immunity.

The Parties must comply with all applicable local, state, and federal laws, ordinances, rules, orders, and regulations.

### **E. BEGINNING OF WORK & SUSPENSION OF SERVICES**

The bidder shall not commence any billable work until a valid contract has been fully executed by the State and the successful Vendor. The Vendor will be notified in writing when work may begin.

The State may, at any time and without advance notice, require the Vendor to suspend any or all performance or deliverables provided under this Contract. In the event of such suspension, the Contract Manager or POC, or their designee, will issue a written order to stop work. The written order will specify which activities are to be immediately suspended and the reason(s) for the suspension. Upon receipt of such order, the Vendor shall immediately comply with its terms and take all necessary steps to mitigate and

eliminate the incurrence of costs allocable to the work affected by the order during the period of suspension. The suspended performance or deliverables may only resume when the State provides the Vendor with written notice that such performance or deliverables may resume, in whole or in part.

## **F. AMENDMENT**

This Contract may be amended in writing, within scope, upon the agreement of both parties.

## **G. CHANGE ORDERS OR SUBSTITUTIONS**

The State and the Vendor, upon the written agreement, may make changes to the contract within the general scope of the solicitation. Changes may involve specifications, the quantity of work, or such other items as the State may find necessary or desirable. Corrections of any deliverable, service, or work required pursuant to the contract shall not be deemed a change. The Vendor may not claim forfeiture of the contract by reasons of such changes.

The Vendor shall prepare a written description of the work required due to the change and an itemized cost sheet for the change. Changes in work and the amount of compensation to be paid to the Vendor shall be determined in accordance with applicable unit prices if any, a pro-rated value, or through negotiations. The State shall not incur a price increase for changes that should have been included in the Vendor's solicitation response, were foreseeable, or result from difficulties with or failure of the Vendor's solicitation response or performance.

No change shall be implemented by the Vendor until approved by the State, and the Contract is amended to reflect the change and associated costs, if any. If there is a dispute regarding the cost, but both parties agree that immediate implementation is necessary, the change may be implemented, and cost negotiations may continue with both Parties retaining all remedies under the contract and law.

In the event any good or service is discontinued or replaced upon mutual consent during the contract period or prior to delivery, the State reserves the right to amend the contract to include the alternate product at the same price.

**\*\*\*Vendor will not substitute any item that has been awarded without prior written approval of SPB\*\*\***

## **H. RECORD OF VENDOR PERFORMANCE**

The State may document the vendor's performance, which may include, but is not limited to, the customer service provided by the vendor, the ability of the vendor, the skill of the vendor, and any instance(s) of products or services delivered or performed which fail to meet the terms of the purchase order, contract, and/or specifications. In addition to other remedies and options available to the State, the State may issue one or more notices to the vendor outlining any issues the State has regarding the vendor's performance for a

specific contract (“Contract Compliance Request”). The State may also document the Vendor’s performance in a report, which may or may not be provided to the vendor (“Contract Non-Compliance Notice”). The Vendor shall respond to any Contract Compliance Request or Contract Non-Compliance Notice in accordance with such notice or request. At the sole discretion of the State, such Contract Compliance Requests and Contract Non-Compliance Notices may be placed in the State’s records regarding the vendor and may be considered by the State and held against the vendor in any future contract or award opportunity. The record of vendor performance will be considered in any suspension or debarment action.

## **I. NOTICE OF POTENTIAL VENDOR BREACH**

If Vendor breaches the contract or anticipates breaching the contract, the Vendor shall immediately give written notice to the State. The notice shall explain the breach or potential breach, a proposed cure, and may include a request for a waiver of the breach if so desired. The State may, in its discretion, temporarily or permanently waive the breach. By granting a waiver, the State does not forfeit any rights or remedies to which the State is entitled by law or equity, or pursuant to the provisions of the contract. Failure to give immediate notice, however, may be grounds for denial of any request for a waiver of a breach.

## **J. BREACH**

Either Party may terminate the contract, in whole or in part, if the other Party breaches its duty to perform its obligations under the contract in a timely and proper manner. Termination requires written notice of default and a thirty (30) calendar day (or longer at the non-breaching Party’s discretion considering the gravity and nature of the default) cure period. Said notice shall be delivered by email, delivery receipt requested; certified mail, return receipt requested; or in person with proof of delivery. Allowing time to cure a failure or breach of contract does not waive the right to immediately terminate the contract for the same or different contract breach which may occur at a different time.

The State’s failure to make payment shall not be a breach, and the Vendor shall retain all available statutory remedies. (See Indemnity - Self-Insurance and Payment)

## **K. NON-WAIVER OF BREACH**

The acceptance of late performance with or without objection or reservation by a Party shall not waive any rights of the Party nor constitute a waiver of the requirement of timely performance of any obligations remaining to be performed.

## **L. SEVERABILITY**

If any term or condition of the contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the provision held to be invalid or illegal.

## **M. INDEMNIFICATION**

## 1. GENERAL

The Vendor agrees to defend, indemnify, and hold harmless the State and its employees, volunteers, agents, and its elected and appointed officials (“the indemnified parties”) from and against any and all third party claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (“the claims”), sustained or asserted against the State for personal injury, death, or property loss or damage, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the Vendor, its employees, Subcontractors, consultants, representatives, and agents, resulting from this contract, except to the extent such Vendor liability is attenuated by any action of the State which directly and proximately contributed to the claims.

## 2. INTELLECTUAL PROPERTY

The Vendor agrees it will, at its sole cost and expense, defend, indemnify, and hold harmless the indemnified parties from and against any and all claims, to the extent such claims arise out of, result from, or are attributable to, the actual or alleged infringement or misappropriation of any patent, copyright, trade secret, trademark, or confidential information of any third party by the Vendor or its employees, Subcontractors, consultants, representatives, and agents; provided, however, the State gives the Vendor prompt notice in writing of the claim. The Vendor may not settle any infringement claim that will affect the State’s use of the Licensed Software without the State’s prior written consent, which consent may be withheld for any reason.

If a judgment or settlement is obtained or reasonably anticipated against the State’s use of any intellectual property for which the Vendor has indemnified the State, the Vendor shall, at the Vendor’s sole cost and expense, promptly modify the item or items which were determined to be infringing, acquire a license or licenses on the State’s behalf to provide the necessary rights to the State to eliminate the infringement, or provide the State with a non-infringing substitute that provides the State the same functionality. At the State’s election, the actual or anticipated judgment may be treated as a breach of warranty by the Vendor, and the State may receive the remedies provided under this Solicitation.

## 3. PERSONNEL

The Vendor shall, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker’s compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel, including subcontractor’s and their employees, provided by the Vendor.

## 4. SELF-INSURANCE

The State of Nebraska is self-insured for any loss and purchases excess insurance coverage pursuant to Neb. Rev. Stat. § 81-8,239.01. If there is a presumed loss under the provisions of this agreement, Vendor may file a claim with the Office of Risk Management pursuant to Neb. Rev. Stat. §§ 81-8,239.01 to 81-8,306 for review by the State Claims Board. The State retains all rights and immunities under the State

Miscellaneous (Neb. Rev. Stat. § 81-8,294), Tort (Neb. Rev. Stat. § 81-8,209), and Contract Claim Acts (Neb. Rev. Stat. § 81-8,302), as outlined in state law and accepts liability under this agreement only to the extent provided by law.

5. The Parties acknowledge that Attorney General for the State of Nebraska is required by statute to represent the legal interests of the State, and that any provision of this indemnity clause is subject to the statutory authority of the Attorney General.

#### **N. ATTORNEY'S FEES**

In the event of any litigation, appeal, or other legal action to enforce any provision of the contract, the Parties agree to pay all expenses of such action, as permitted by law and if ordered by the court, including attorney's fees and costs, if the other Party prevails.

#### **O. ASSIGNMENT, SALE, OR MERGER**

Either Party may assign the contract upon mutual written agreement of the other Party. Such agreement shall not be unreasonably withheld.

The Vendor retains the right to enter into a sale, merger, acquisition, internal reorganization, or similar transaction involving Vendor's business. Vendor agrees to cooperate with the State in executing amendments to the contract to allow for the transaction. If a third party or entity is involved in the transaction, the Vendor will remain responsible for performance of the contract until such time as the person or entity involved in the transaction agrees in writing to be contractually bound by this contract and perform all obligations of the contract.

#### **P. CONTRACTING WITH OTHER NEBRASKA POLITICAL SUBDIVISIONS OF THE STATE OR ANOTHER STATE**

The Vendor may, but shall not be required to, allow agencies, as defined in Neb. Rev. Stat. § 81-145(2), to use this contract. The terms and conditions, including price, of the contract may not be amended. The State shall not be contractually obligated or liable for any contract entered into pursuant to this clause. A listing of Nebraska political subdivisions may be found at the website of the Nebraska Auditor of Public Accounts.

The Vendor may, but shall not be required to, allow other states, agencies or divisions of other states, or political subdivisions of other states to use this contract. The terms and conditions, including price, of this contract shall apply to any such contract, but may be amended upon mutual consent of the Parties. The State of Nebraska shall not be contractually or otherwise obligated or liable under any contract entered into pursuant to this clause. The State shall be notified if a contract is executed based upon this contract.

#### **Q. FORCE MAJEURE**

Neither Party shall be liable for any costs or damages, or for default resulting from its inability to perform any of its obligations under the contract due to a natural or manmade event outside the control and not the fault of the affected Party ("Force Majeure Event") that was not foreseeable at the time the Contract was executed. The Party so affected

shall immediately make a written request for relief to the other Party and shall have the burden of proof to justify the request. The other Party may grant the relief requested; relief may not be unreasonably withheld. Labor disputes with the impacted Party's own employees will not be considered a Force Majeure Event.

## **R. CONFIDENTIALITY**

All materials and information provided by the Parties or acquired by a Party on behalf of the other Party shall be regarded as confidential information. All materials and information provided or acquired shall be handled in accordance with federal and state law, and ethical standards. Should said confidentiality be breached by a Party, the Party shall notify the other Party immediately of said breach and take immediate corrective action.

It is incumbent upon the Parties to inform their officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a (i)(1), which is made applicable by 5 U.S.C. 552a (m)(1), provides that any officer or employee, who by virtue of his/her employment or official position has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

## **S. EARLY TERMINATION**

The contract may be terminated as follows:

1. The State and the Vendor, by mutual written agreement, may terminate the contract, in whole or in part, at any time.
2. The State, in its sole discretion, may terminate the contract, in whole or in part, for any reason upon thirty (30) calendar day's written notice shall be delivered by email, delivery receipt requested; certified mail, return receipt requested; or in person with proof of delivery to the Vendor. Such termination shall not relieve the Vendor of warranty or other service obligations incurred under the terms of the contract. In the event of termination, the Vendor shall be entitled to payment, determined on a pro rata basis, for products or services satisfactorily performed or provided.
3. The State may terminate the contract, in whole or in part, immediately for the following reasons:
  - a. if directed to do so by statute,
  - b. Vendor has made an assignment for the benefit of creditors, has admitted in writing its inability to pay debts as they mature, or has ceased operating in the normal course of business,
  - c. a trustee or receiver of the Vendor or of any substantial part of the Vendor's assets has been appointed by a court,
  - d. fraud, misappropriation, embezzlement, malfeasance, misfeasance, or illegal conduct pertaining to performance under the contract by its Vendor, its employees, officers, directors, or shareholders,

- e. an involuntary proceeding has been commenced by any Party against the Vendor under any one of the chapters of Title 11 of the United States Code and (i) the proceeding has been pending for at least sixty (60) calendar days; or (ii) the Vendor has consented, either expressly or by operation of law, to the entry of an order for relief; or (iii) the Vendor has been decreed or adjudged a debtor,
- f. a voluntary petition has been filed by the Vendor under any of the chapters of Title 11 of the United States Code,
- g. Vendor intentionally discloses confidential information,
- h. Vendor has or announces it will discontinue support of the deliverable; and,
- i. In the event funding is no longer available.

## **T. CONTRACT CLOSEOUT**

Upon termination of the contract for any reason the Vendor shall within thirty (30) days, unless stated otherwise herein:

1. Transfer all completed or partially completed deliverables to the State,
2. Transfer ownership and title to all completed or partially completed deliverables to the State,
3. Return to the State all information and data unless the Vendor is permitted to keep the information or data by contract or rule of law. Vendor may retain one copy of any information or data as required to comply with applicable work product documentation standards or as are automatically retained in the course of Vendor's routine back up procedures,
4. Cooperate with any successor Contactor, person, or entity in the assumption of any or all of the obligations of this contract,
5. Cooperate with any successor Contactor, person, or entity with the transfer of information or data related to this contract,
6. Return or vacate any state owned real or personal property; and,
7. Return all data in a mutually acceptable format and manner.

Nothing in this section should be construed to require the Vendor to surrender intellectual property, real or personal property, or information or data owned by the Vendor for which the State has no legal claim.

## **U. AMERICANS WITH DISABILITIES ACT**

Vendor shall comply with all applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12131–12134), as amended by the ADA Amendments Act of 2008 (ADA Amendments Act) (Pub.L. 110–325, 122 Stat. 3553 (2008)), which prohibits discrimination on the basis of disability by public entities.



### III. Vendor Duties

Bidder should read the Vendor Duties within this section and must initial either “Accept All Terms and Conditions Within Section as Written” or “Exceptions Taken to Vendor Duties Within Section as Written” in the table below. If the bidder takes any exceptions, they must provide the following within the “Exceptions” field of the table below (Bidder may provide responses in separate attachment if multiple exceptions are taken):

1. The specific clause, including section reference, to which an exception has been taken;
2. An explanation of why the bidder took exception to the clause; and
3. Provide alternative language to the specific clause within the solicitation response.

By signing the solicitation, bidder agrees to be legally bound by all the accepted terms and conditions, and any proposed alternative terms and conditions submitted with the solicitation response. The State reserves the right to negotiate rejected or proposed alternative language. If the State and bidder fail to agree on the final Terms and Conditions, the State reserves the right to reject the solicitation response. The State reserves the right to reject solicitation responses that attempt to substitute the bidder’s commercial contracts and/or documents for this solicitation.

Accept All Vendor Duties Within Section as Written (Initial)	Exceptions Taken to Vendor Duties Within Section as Written (Initial)	Exceptions: (Bidder must note the specific clause, including section reference, to which an exception has been taken, an explanation of why the bidder took exception to the clause, and provide alternative language to the specific clause within the solicitation response.)
	X	Please see Exhibit 1 - MetLife Clarifications and Deviations provided with our proposal response for exceptions.

#### A. INDEPENDENT VENDOR / OBLIGATIONS

It is agreed that the Vendor is an independent Vendor and that nothing contained herein is intended or should be construed as creating or establishing a relationship of employment, agency, or a partnership.

The Vendor is solely responsible for fulfilling the contract. The Vendor or the Vendor’s representative shall be the sole point of contact regarding all contractual matters.

The Vendor shall secure, at its own expense, all personnel required to perform the services under the contract. The personnel the Vendor uses to fulfill the contract shall have no contractual or other legal relationship with the State; they shall not be

considered employees of the State and shall not be entitled to any compensation, rights or benefits from the State, including but not limited to, tenure rights, medical and hospital care, sick and vacation leave, severance pay, or retirement benefits.

By-name personnel commitments made in the bidder's solicitation response shall not be changed without the prior written approval of the State. Replacement of these personnel, if approved by the State, shall be with personnel of equal or greater ability and qualifications.

All personnel assigned by the Vendor to the contract shall be employees of the Vendor or a subcontractor and shall be fully qualified to perform the work required herein. Personnel employed by the Vendor or a subcontractor to fulfill the terms of the contract shall remain under the sole direction and control of the Vendor or the subcontractor respectively.

With respect to its employees, the Vendor agrees to be solely responsible for the following:

1. Any and all pay, benefits, and employment taxes and/or other payroll withholding,
2. Any and all vehicles used by the Vendor's employees, including all insurance required by state law,
3. Damages incurred by Vendor's employees within the scope of their duties under the contract,
4. Maintaining Workers' Compensation and health insurance that complies with state and federal law and submitting any reports on such insurance to the extent required by governing law,
5. Determining the hours to be worked and the duties to be performed by the Vendor's employees; and,
6. All claims on behalf of any person arising out of employment or alleged employment (including without limit claims of discrimination alleged against the Vendor, its officers, agents, or subcontractors or subcontractor's employees).

If the Vendor intends to utilize any subcontractor, the subcontractor's level of effort, tasks, and time allocation should be clearly defined in the solicitation response. The Vendor shall agree that it will not utilize any subcontractors not specifically included in its solicitation response in the performance of the contract without the prior written authorization of the State. If the Vendor subcontracts any of the work, the Vendor agrees to pay any and all subcontractors in accordance with the Vendor's agreement with the respective subcontractor(s).

The State reserves the right to require the Vendor to reassign or remove from the project any Vendor or subcontractor employee.

Vendor shall insure that the terms and conditions contained in any contract with a subcontractor does not conflict with the terms and conditions of this contract.

The Vendor shall include a similar provision, for the protection of the State, in the contract with any Subcontractor engaged to perform work on this contract.

## **B. FOREIGN ADVERSARY CONTRACTING PROHIBITION ACT CERTIFICATION (Nonnegotiable)**

The Vendor certifies that it is not a scrutinized company as defined under the Foreign Adversary Contracting Prohibition Act, Neb. Rev. Stat. Sec. § 73-903 (5); that it will not subcontract with any scrutinized company for any aspect of performance of the contemplated contract; and that any products or services to be provided do not originate with a scrutinized company.

## **C. EMPLOYEE WORK ELIGIBILITY STATUS**

The Vendor is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of an employee.

If the Vendor is an individual or sole proprietorship, the following applies:

1. The Vendor must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at <https://das.nebraska.gov/materiel/docs/pdf/Individual%20or%20Sole%20Proprietor%20United%20States%20Attestation%20Form%20English%20and%20Spanish.pdf>
2. The completed United States Attestation Form should be submitted with the Solicitation response.
3. If the Vendor indicates on such attestation form that he or she is a qualified alien, the Vendor agrees to provide the US Citizenship and Immigration Services documentation required to verify the Vendor's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.
4. The Vendor understands and agrees that lawful presence in the United States is required, and the Vendor may be disqualified, or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. § 4-108.

## **D. COMPLIANCE WITH CIVIL RIGHTS LAWS AND EQUAL OPPORTUNITY EMPLOYMENT / NONDISCRIMINATION (Nonnegotiable)**

The Vendor shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act prohibits Vendors of the State of Nebraska, and their Subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensation, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin (Neb. Rev. Stat. §§ 48-1101 to 48-1125). The Vendor guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be

regarded as a material breach of contract. The Vendor shall insert a similar provision in all Subcontracts for goods and services to be covered by any contract resulting from this Solicitation.

## **E. COOPERATION WITH OTHER VENDORS**

Vendor may be required to work with or in close proximity to other Vendors or individuals that may be working on same or different projects. The Vendor shall agree to cooperate with such other Vendors or individuals and shall not commit or permit any act which may interfere with the performance of work by any other Vendor or individual. Vendor is not required to compromise Vendor's intellectual property or proprietary information unless expressly required to do so by this contract.

## **F. DISCOUNTS**

Prices quoted shall be inclusive of ALL trade discounts. Cash discount terms of less than thirty (30) days will not be considered as part of the solicitation response. Cash discount periods will be computed from the date of receipt of a properly executed claim voucher or the date of completion of delivery of all items in a satisfactory condition, whichever is later.

## **G. PRICES**

Prices quoted shall be net, including transportation and delivery charges fully prepaid by the bidder, F.O.B. destination named in the Solicitation. No additional charges will be allowed for packing, packages, or partial delivery costs. When an arithmetic error has been made in the extended total, the unit price will govern.

Prices submitted on the cost sheet, once accepted by the State, shall remain fixed for the first two (2) years of the contract. Any request for a price increase subsequent to the first two (2) years of the contract shall not exceed four percent (4 %) of the price proposed for the period. Increases shall not be cumulative and will only apply to that period of the contract. The request for a price increase must be submitted in writing to the State Purchasing Bureau a minimum of 120 days prior to the end of the current contract period. Documentation may be required by the State to support the price increase.

The State reserves the right to deny any requested price increase. No price increases are to be billed to any State Agencies prior to written amendment of the contract by the parties.

The State will be given full proportionate benefit of any decreases for the term of the contract.

## **H. PERMITS, REGULATIONS, LAWS**

The contract price shall include the cost of all royalties, licenses, permits, and approvals, whether arising from patents, trademarks, copyrights or otherwise, that are in any way involved in the contract. The Vendor shall obtain and pay for all royalties, licenses, and permits, and approvals necessary for the execution of the contract. The Vendor must

guarantee that it has the full legal right to the materials, supplies, equipment, software, and other items used to execute this contract.

## **I. OWNERSHIP OF INFORMATION AND DATA / DELIVERABLES**

The State shall have the unlimited right to publish, duplicate, use, and disclose all information and data developed or obtained by the Vendor on behalf of the State pursuant to this contract.

The State shall own and hold exclusive title to any deliverable developed as a result of this contract. Vendor shall have no ownership interest or title, and shall not patent, license, or copyright, duplicate, transfer, sell, or exchange, the design, specifications, concept, or deliverable.

## **J. INSURANCE REQUIREMENTS**

The Vendor shall throughout the term of the contract maintain insurance as specified herein and provide the State a current Certificate of Insurance/Acord Form (COI) verifying the coverage. The Vendor shall not commence work on the contract until the insurance is in place. If Vendor subcontracts any portion of the Contract the Vendor must, throughout the term of the contract, either:

1. Provide equivalent insurance for each subcontractor and provide a COI verifying the coverage for the subcontractor,
2. Require each subcontractor to have equivalent insurance and provide written notice to the State that the Vendor has verified that each subcontractor has the required coverage; or,
3. Provide the State with copies of each subcontractor's Certificate of Insurance evidencing the required coverage.

The Vendor shall not allow any Subcontractor to commence work until the Subcontractor has equivalent insurance. The failure of the State to require a COI, or the failure of the Vendor to provide a COI or require subcontractor insurance shall not limit, relieve, or decrease the liability of the Vendor hereunder.

In the event that any policy written on a claims-made basis terminates or is canceled during the term of the contract or within three (3) years of termination or expiration of the contract, the Vendor shall obtain an extended discovery or reporting period, or a new insurance policy, providing coverage required by this contract for the term of the contract and three (3) years following termination or expiration of the contract.

If by the terms of any insurance a mandatory deductible is required, or if the Vendor elects to increase the mandatory deductible amount, the Vendor shall be responsible for payment of the amount of the deductible in the event of a paid claim.

Notwithstanding any other clause in this Contract, the State may recover up to the liability limits of the insurance policies required herein.

### **1. WORKERS' COMPENSATION INSURANCE**

The Vendor shall take out and maintain during the life of this contract the statutory Workers' Compensation and Employer's Liability Insurance for all of the contactors' employees to be engaged in work on the project under this contract and, in case any such work is sublet, the Vendor shall require the Subcontractor similarly to provide Worker's Compensation and Employer's Liability Insurance for all of the Subcontractor's employees to be engaged in such work. This policy shall be written to meet the statutory requirements for the state in which the work is to be performed, including Occupational Disease. The policy shall include a waiver of subrogation in favor of the State. The COI shall contain the mandatory COI subrogation waiver language found hereinafter. The amounts of such insurance shall not be less than the limits stated hereinafter. For employees working in the State of Nebraska, the policy must be written by an entity authorized by the State of Nebraska Department of Insurance to write Workers' Compensation and Employer's Liability Insurance for Nebraska employees.

## 2. COMMERCIAL GENERAL LIABILITY INSURANCE AND COMMERCIAL AUTOMOBILE LIABILITY INSURANCE

The Vendor shall take out and maintain during the life of this contract such Commercial General Liability Insurance and Commercial Automobile Liability Insurance as shall protect Vendor and any Subcontractor performing work covered by this contract from claims for damages for bodily injury, including death, as well as from claims for property damage, which may arise from operations under this contract, whether such operation be by the Vendor or by any Subcontractor or by anyone directly or indirectly employed by either of them, and the amounts of such insurance shall not be less than limits stated hereinafter.

The Commercial General Liability Insurance shall be written on an occurrence basis, and provide Premises/Operations, Products/Completed Operations, Independent Vendors, Personal Injury, and Contractual Liability coverage. The policy shall include the State, and others as required by the contract documents, as Additional Insured(s). This policy shall be primary, and any insurance or self-insurance carried by the State shall be considered secondary and non-contributory. The COI shall contain the mandatory COI liability waiver language found hereinafter. The Commercial Automobile Liability Insurance shall be written to cover all Owned, Non-owned, and Hired vehicles.

<b>REQUIRED INSURANCE COVERAGE</b>	
<b>COMMERCIAL GENERAL LIABILITY</b>	
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal/Advertising Injury	\$1,000,000 per occurrence
Bodily Injury/Property Damage	\$1,000,000 per occurrence
Medical Payments	\$10,000 any one person
Damage to Rented Premises (Fire)	\$300,000 each occurrence
Contractual	Included
XCU Liability (Explosion, Collapse, and Underground Damage)	Included
Independent Vendors	Included
Abuse & Molestation	Included
<i>If higher limits are required, the Umbrella/Excess Liability limits are allowed to satisfy the higher limit.</i>	
<b>WORKER'S COMPENSATION</b>	
Employers Liability Limits	\$500K/\$500K/\$500K
Statutory Limits- All States	Statutory - State of Nebraska
Voluntary Compensation	Statutory
<b>COMMERCIAL AUTOMOBILE LIABILITY</b>	
Bodily Injury/Property Damage	\$1,000,000 combined single limit
Include All Owned, Hired & Non-Owned Automobile liability	Included
Motor Carrier Act Endorsement	Where Applicable
<b>UMBRELLA/EXCESS LIABILITY</b>	
Over Primary Insurance	\$5,000,000 per occurrence
<b>PROFESSIONAL LIABILITY</b>	
Professional liability (Medical Malpractice) Qualification Under Nebraska Excess Fund	Limits consistent with Nebraska Medical Malpractice Cap
All Other Professional Liability (Errors & Omissions)	\$10,000,000 Per Claim / \$20,000,000 Aggregate
<b>COMMERCIAL CRIME</b>	
Crime/Employee Dishonesty Including 3rd Party Fidelity	\$2,000,000
<b>CYBER LIABILITY</b>	
Breach of Privacy, Security Breach, Denial of Service, Remediation, Fines and Penalties	\$5,000,000
<b>MANDATORY COI SUBROGATION WAIVER LANGUAGE</b>	
"Workers' Compensation policy shall include a waiver of subrogation in favor of the State of Nebraska."	
<b>MANDATORY COI LIABILITY WAIVER LANGUAGE</b>	

“Commercial General Liability & Commercial Automobile Liability policies shall name the State of Nebraska as an Additional Insured and the policies shall be primary and any insurance or self-insurance carried by the State shall be considered secondary and non-contributory as additionally insured.”

### 3. EVIDENCE OF COVERAGE

The Vendor shall furnish the Contract Manager, via email, with a certificate of insurance coverage complying with the above requirements prior to beginning work at:

120084 O5  
Department of Administrative Services  
State Purchasing Bureau  
Attn: Brook Taylor  
1526 K Street, Suite 130  
Lincoln, NE 68508  
Brook.Taylor@nebraska.gov

These certificates or the cover sheet shall reference the solicitation number, and the certificates shall include the name of the company, policy numbers, effective dates, dates of expiration, and amounts and types of coverage afforded. If the State is damaged by the failure of the Vendor to maintain such insurance, then the Vendor shall be responsible for all reasonable costs properly attributable thereto.

Reasonable notice of cancellation of any required insurance policy must be submitted to the contract manager as listed above when issued and a new coverage binder shall be submitted immediately to ensure no break in coverage.

### 4. DEVIATIONS

The insurance requirements are subject to limited negotiation. Negotiation typically includes, but is not necessarily limited to, the correct type of coverage, necessity for Workers' Compensation, and the type of automobile coverage carried by the Vendor.

## K. ANTITRUST

The Vendor hereby assigns to the State any and all claims for overcharges as to goods and/or services provided in connection with this contract resulting from antitrust violations which arise under antitrust laws of the United States and the antitrust laws of the State.

## L. CONFLICT OF INTEREST

By submitting a solicitation response, vendor certifies that no relationship exists between the vendor and any person or entity which either is, or gives the appearance of, a conflict of interest related to this solicitation or project.



Vendor further certifies that vendor will not employ any individual known by vendor to have a conflict of interest nor shall vendor take any action or acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of its contractual obligations hereunder or which creates an actual or appearance of conflict of interest.

If there is an actual or perceived conflict of interest, vendor shall provide with its solicitation response a full disclosure of the facts describing such actual or perceived conflict of interest and a proposed mitigation plan for consideration. The State will then consider such disclosure and proposed mitigation plan and either approve or reject as part of the overall solicitation response evaluation.

## **M. ADVERTISING**

The Vendor agrees not to refer to the contract award in advertising in such a manner as to state or imply that the company or its goods or services are endorsed or preferred by the State. Any publicity releases pertaining to the project shall not be issued without prior written approval from the State.

## **N. NEBRASKA TECHNOLOGY ACCESS STANDARDS (Nonnegotiable)**

- 1. The State of Nebraska is committed to ensuring that all information and communication technology (ICT), developed, leased, or owned by the State of Nebraska, affords equivalent access to employees, program participants and members of the public with disabilities, as it affords to employees, program participants and members of the public who are not persons with disabilities.**
- 2. By entering into this Contract, Vendor understands and agrees that if the Vendor is providing a product or service that contains ICT, as defined in subsection 3 below and such ICT is intended to be directly interacted with by the user or is public facing, such ICT must provide equivalent access, or be modified during implementation to afford equivalent access, to employees, program participants, and members of the public who have and who do not have disabilities. The Vendor may comply with this section by complying with Section 508 of the Rehabilitation Act of 1973, as amended, and its implementing standards adopted and promulgated by the U.S. Access Board.**
- 3. ICT means information technology and other equipment, systems, technologies, or processes, for which the principal function is the creation, manipulation, storage, display, receipt, or transmission of electronic data and information, as well as any associated content. Vendor hereby agrees ICT includes computers and peripheral equipment, information kiosks and transaction machines, telecommunications equipment, customer premises equipment, multifunction office machines, software, applications, web sites, videos, and electronic documents. For the purposes of these assurances, ICT does not include ICT that is used exclusively by a Vendor.**

## **O. DISASTER RECOVERY/BACK UP PLAN**

The Vendor shall have a disaster recovery and back-up plan, of which a copy should be provided upon request to the State, which includes, but is not limited to equipment, personnel, facilities, and transportation, in order to continue delivery of goods and services as specified under the specifications in the contract in the event of a disaster.

## **P. DRUG POLICY**

Vendor certifies it maintains a drug free workplace environment to ensure worker safety and workplace integrity. Vendor agrees to provide a copy of its drug free workplace policy at any time upon request by the State.

## **Q. WARRANTY**

Despite any clause to the contrary, the Vendor represents and warrants that its services hereunder shall be performed by competent personnel and shall be of professional quality consistent with generally accepted industry standards for the performance of such services and shall comply in all respects with the requirements of this Agreement. For any breach of this warranty, the Vendor shall, for a period of ninety (90) days from performance of the service, perform the services again, at no cost to the State, or if Vendor is unable to perform the services as warranted, Vendor shall reimburse the State all fees paid to Vendor for the unsatisfactory services. The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including, without limitation actual damages, and, as applicable and awarded under the law, to a prevailing party, reasonable attorneys' fees and costs.

## **R. TIME IS OF THE ESSENCE**

Time is of the essence with respect to Vendor's performance and deliverables pursuant to this Contract.

## IV. Payment

Bidder should read the Payment clauses within this section and must initial either “Accept All Terms and Conditions Within Section as Written” or “Exceptions Taken to Payment clauses Within Section as Written” in the table below. If the bidder takes any exceptions, they must provide the following within the “Exceptions” field of the table below (Bidder may provide responses in separate attachment if multiple exceptions are taken):

1. The specific clause, including section reference, to which an exception has been taken;
2. An explanation of why the bidder took exception to the clause; and
3. Provide alternative language to the specific clause within the solicitation response.

By signing the solicitation, bidder agrees to be legally bound by all the accepted terms and conditions, and any proposed alternative terms and conditions submitted with the solicitation response. The State reserves the right to negotiate rejected or proposed alternative language. If the State and bidder fail to agree on the final Terms and Conditions, the State reserves the right to reject the solicitation response. The State reserves the right to reject solicitation responses that attempt to substitute the bidder’s commercial contracts and/or documents for this solicitation.

Accept All Payment Clauses Within Section as Written (Initial)	Exceptions Taken to Payment Clauses Within Section as Written (Initial)	Exceptions: (Bidder must note the specific clause, including section reference, to which an exception has been taken, an explanation of why the bidder took exception to the clause, and provide alternative language to the specific clause within the solicitation response.)
	X	Please see Exhibit 1 - MetLife Clarifications and Deviations provided with our proposal response for exceptions.

### A. PROHIBITION AGAINST ADVANCE PAYMENT (Nonnegotiable)

Pursuant to Neb. Rev. Stat. § 81-2403, “[n]o goods or services shall be deemed to be received by an agency until all such goods or services are completely delivered and finally accepted by the agency.”

### B. TAXES (Nonnegotiable)

The State is not required to pay taxes and assumes no such liability as a result of this Solicitation. The Vendor may request a copy of the Nebraska Department of Revenue, Nebraska Resale or Exempt Sale Certificate for Sales Tax Exemption, Form 13 for their records. Any property tax payable on the Vendor’s equipment which may be installed in a

state-owned facility is the responsibility of the Vendor.

## C. INVOICES

Invoices for payments must be submitted by the Vendor to the agency requesting the services with sufficient detail to support payment. Invoices should be emailed to Department of Administrative Services, Employee Wellness and Benefits at [kris.bourke@nebraska.gov](mailto:kris.bourke@nebraska.gov) and [as.employeebenefits@nebraska.gov](mailto:as.employeebenefits@nebraska.gov).

The invoice must contain the State's Account number and or ID number and the Coverage Period being billed. The invoice must list each plan and rates for the plans. Premiums are deducted via payroll on a Bi-Weekly and/or Monthly basis. After the close of business each month the total premiums deducted are paid to the Contractor via ACH payment. Premiums are not paid in advance. Example, August premiums would not be paid to the Contractor until after close of business on August 31st. In the example above, the 45 days starts on September 1st. As premiums are sent via ACH an Excel or PDF Report will be generated and provided to the Contractor by the State as backup documentation for the premiums paid. The Report is produced manually and date of completion may vary from month to month.

The terms and conditions included in the Vendor's invoice shall be deemed to be solely for the convenience of the parties. No terms or conditions of any such invoice shall be binding upon the State, and no action by the State, including without limitation the payment of any such invoice in whole or in part, shall be construed as binding or estopping the State with respect to any such term or condition, unless the invoice term or condition has been previously agreed to by the State as an amendment to the contract. **The State shall have forty-five (45) calendar days to pay after a valid and accurate invoice is received by the State.**

## D. INSPECTION AND APPROVAL

Final inspection and approval of all work required under the contract shall be performed by the designated State officials.

The State and/or its authorized representatives shall have the right to enter any premises where the Vendor or Subcontractor duties under the contract are being performed, and to inspect, monitor or otherwise evaluate the work being performed. All inspections and evaluations shall be at reasonable times and in a manner that will not unreasonably delay work.

## E. PAYMENT (Nonnegotiable)

Payment will be made by the responsible agency in compliance with the State of Nebraska Prompt Payment Act (See Neb. Rev. Stat. § 81-2403). The State may require the Vendor to accept payment by electronic means such as ACH deposit. In no event shall the State be responsible or liable to pay for any goods and services provided by the Vendor prior to the Effective Date of the contract, and the Vendor hereby waives any claim or cause of action for any such goods or services.

## **F. LATE PAYMENT (Nonnegotiable)**

The Vendor may charge the responsible agency interest for late payment in compliance with the State of Nebraska Prompt Payment Act (See Neb. Rev. Stat. §§ 81-2401 through 81-2408).

## **G. SUBJECT TO FUNDING / FUNDING OUT CLAUSE FOR LOSS OF APPROPRIATIONS (Nonnegotiable)**

The State's obligation to pay amounts due on the Contract for fiscal years following the current fiscal year is contingent upon legislative appropriation of funds. Should said funds not be appropriated, the State may terminate the contract with respect to those payments for the fiscal year(s) for which such funds are not appropriated. The State will give the Vendor written notice thirty (30) calendar days prior to the effective date of termination. All obligations of the State to make payments after the termination date will cease. The Vendor shall be entitled to receive just and equitable compensation for any authorized work which has been satisfactorily completed as of the termination date. In no event shall the Vendor be paid for a loss of anticipated profit.

## **H. RIGHT TO AUDIT (First Paragraph is Nonnegotiable)**

The State shall have the right to audit the Vendor's performance of this contract upon a thirty (30) days' written notice. Vendor shall utilize generally accepted accounting principles, and shall maintain the accounting records, and other records and information relevant to the contract (Information) to enable the State to audit the contract. (Neb. Rev. Stat. § 84-304 et seq.) The State may audit, and the Vendor shall maintain, the Information during the term of the contract and for a period of five (5) years after the completion of this contract or until all issues or litigation are resolved, whichever is later. The Vendor shall make the Information available to the State at Vendor's place of business or a location acceptable to both Parties during normal business hours. If this is not practical or the Vendor so elects, the Vendor may provide electronic or paper copies of the Information. The State reserves the right to examine, make copies of, and take notes on any Information relevant to this contract, regardless of the form or the Information, how it is stored, or who possesses the Information. Under no circumstance will the Vendor be required to create or maintain documents not kept in the ordinary course of Vendor's business operations, nor will Vendor be required to disclose any information, including but not limited to product cost data, which is confidential or proprietary to Vendor.

The Parties shall pay their own costs of the audit unless the audit finds a previously undisclosed overpayment by the State. If a previously undisclosed overpayment exceeds one-half of one percent (.5%) of the total contract billings, or if fraud, material misrepresentations, or non-performance is discovered on the part of the Vendor, the Vendor shall reimburse the State for the total costs of the audit. Overpayments and audit costs owed to the State shall be paid within ninety (90) days of written notice of the claim. The Vendor agrees to correct any material weaknesses or condition found as a result of the audit.

## V. Project Description and Scope of Work

The bidder should provide the following information in response to this Solicitation.

### A. Project Overview

The State of Nebraska (“the State”), through the Department of Administrative Services, currently offers Short Term Disability (STD) and Long Term Disability (LTD) to State employees. The State is seeking proposals from qualified disability carriers to provide fully insured STD and LTD benefits, for the approximate 17,221 eligible state permanent and temporary (assignment of 6 months or longer and work 20 hours or more per week) employees, effective July 1, 2025.

Noted.

The purpose of this RFP is to select a vendor to provide all necessary and required services including staffing, systems and other critical components, which advances early return to work, notifications, insurance, fully insured premiums, claims adjudication, claims payment, customer service, underwriting, consulting, and reports for the State of Nebraska for both STD and LTD:

1. Short Term Disability (STD) plan (100% paid by the employee/post tax deductions), and
2. Long Term Disability (LTD) plan (100% paid by the employee/post tax deductions).

Noted.

There will need to be a true Open Enrollment allowed for all eligible employees, for both STD and LTD with no EOI requirement. Any Employee already enrolled in either benefit is not subject to pre-existing exclusion clause, and will be allowed to carry over their current coverage. However, the vendor can apply the pre-existing exclusion clause to any employee not currently enrolled.

Agreed. We will offer a one-time open enrollment where current enrollees keep their coverage and where late enrollees can enter the plan with no EOI requirement. The current pre-existing condition clause would still apply to both STD and LTD for new (late) enrollees.

This RFP does not include group term life insurance, accidental death and dismemberment, optional term life insurance or any other employee benefits program.

Noted.

## B. Current Environment

The current STD and LTD benefits with UnitedHealthcare include only one (1) elimination period option. A detailed description of age-banded premium rate for current STD and LTD benefit options can be found in Attachment B - Current Long Term Disability Benefits and Attachment C – Current Short Term Disability Benefits.

A summary of reports can be found in the following attachments:

1. Attachment D LTD Closed and Open Claims Listing for Group Report
2. Attachment E STD Closed and Open Claims Listing for Group Report
3. Attachment F LTD Group Paid by Month Report
4. Attachment G STD Group Paid by Month Report
5. Attachment H LTD Payment Details Report
6. Attachment I STD Payment Details Report
7. Attachment J LTD Claims Status Report
8. Attachment K STD Claims Status Report
9. Attachment L Census Report
10. Attachment M Eligibility Census
11. Attachment N Historical LTD Premium Payments

Coverage is 100% voluntary, with employees covering the full cost of coverage. Premium rates are age-banded for both permanent and temporary employees. The State maintains the same STD and LTD benefit options for employees under the labor contract as it does for those not under the labor contract. Of the State's eligible permanent and temporary employees, 3,100 are currently enrolled in the current STD plan and 5,763 are currently enrolled in the current LTD plan.

The State will provide a fully insured, full-service administration, and 100% voluntary STD and LTD plan to the same population of permanent and temporary employees. The STD plan will provide 1<sup>st</sup> day accident coverage, 8<sup>th</sup> day illness coverage, and will pay benefits up to six (6) months with 60% income option. Employees will be required to exhaust their sick and donated leave balances to begin receiving STD benefit payments. The State requires that the STD run concurrently with the employees using at least five (5) sick days (40 hours), so the duration starts on day one. The LTD benefit offering will have one elimination period of six (6) months with 60% income option. Employees will be required to exhaust their sick and donated leave balances to begin receiving LTD benefit payments.

Noted.

## C. Vendor Requirements

Attachment A is the Vendor Requirements Matrix with response boxes to be completed by bidders.

Completed and attached as requested.

## D. Administration Requirements

This section contains specific work requirements related to the administration of the employee disability plans. The table identifies whether the State of Nebraska or the vendor will perform the service. Vendor must provide the services, at a minimum, identified under the respective heading and coordinate the transition of cases that progress from short-term to long-term durations.

Responsibility	State of Nebraska	STD and LTD Vendor
<b>1. ENROLLMENT and ELIGIBILITY</b>	<ul style="list-style-type: none"> <li>• Collects contributions from employees.</li> <li>• Determines eligibility for enrollment/election of the plan and maintains a database of enrolled employees.</li> </ul>	<ul style="list-style-type: none"> <li>• Determines eligibility for plan benefit payments.</li> </ul>
<b>2. CUSTOMER SERVICE</b>	<ul style="list-style-type: none"> <li>• Assists agencies and participants with eligibility and enrollment issues.</li> <li>• Monitors the service agreements and insured contracts.</li> <li>• Monitors carrier's performance and reviews customer complaints.</li> </ul>	<ul style="list-style-type: none"> <li>• Assists participants and agencies with claims issues.</li> <li>• Staffs a customer service department that provides telephone support to members via a toll-free number.</li> <li>• Maintains telephone technology for the hearing and visually impaired.</li> <li>• Responds to participant questions on enrollment, claims and benefits. Answer questions about the plan if directly outreached by a participant.</li> <li>• Handles problems and complaints</li> </ul>



Responsibility	State of Nebraska	STD and LTD Vendor
		<p>initially and pursues all other inquiries in a timely fashion and advises State of NE of escalated issues and recurring patterns.</p>
<p><b>3. COMMUNICATIONS</b></p>	<ul style="list-style-type: none"> <li>• Approves all communication materials prior to distribution. (Enrollment materials, benefit booklet, etc. shown in the following link/documents)</li> <li>• <a href="https://das.nebraska.gov/personnel/wellness/disability-benefits.html">https://das.nebraska.gov/personnel/wellness/disability-benefits.html</a></li> </ul>	<ul style="list-style-type: none"> <li>• Develops enrollment materials.</li> <li>• Develops and produces a standard benefit description form and also makes it available in an electronic format.</li> <li>• Develops benefits booklet (Summary Plan Description (SPD)/ Certificate of Coverage). These can be sent electronically to the State to post on the website.</li> <li>• Works with State of Nebraska communications personnel.</li> <li>• Provides content for direct employee communications at the State's request.</li> <li>• Provides assistance to State at Annual Open Enrollment meetings. Approximately 600</li> </ul>

Responsibility	State of Nebraska	STD and LTD Vendor
		handouts/pamphlets/give away items should be provided for Open Enrollment.
4. CLAIMS PROCESSING		<ul style="list-style-type: none"> <li>• Processes all claims.</li> <li>• Maintains a process for the correction of under and over payments.</li> <li>• Issues W-2 forms to employees.</li> <li>• Withhold Medicare taxes from the disabled employee's disability benefits and remits them to the federal government.</li> <li>• Remits the State's portion of Medicare tax (from a State Medicare matching Fund) to the federal government.</li> </ul>
5. CLAIM MANAGEMENT		<ul style="list-style-type: none"> <li>• Maintains and provides effective case management and disability management programs.</li> <li>• Provides Return to Work services.</li> <li>• Identifies and reports fraud.</li> </ul>
6. COORDINATION OF BENEFITS		<ul style="list-style-type: none"> <li>• Coordinates with other programs that provide Deductible</li> </ul>

Responsibility	State of Nebraska	STD and LTD Vendor
		<p>Income (offset income) when applicable. Responsible for coordinating with the member and/or State of Nebraska regarding offset income. This will help to eliminate overpayments.</p>
<p><b>7. COORDINATION WITH OTHER INSURANCE COMPANIES OR VENDORS</b></p>		<ul style="list-style-type: none"> <li>• Coordinates with State’s online enrollment vendor.</li> <li>• Enrollment is completed on-line in the State’s system. EOI (Evidence of Insurability) is either paper/online which is submitted and/or forwarded to the vendor for processing.</li> </ul>
<p><b>8. REPORTING</b></p>		<ul style="list-style-type: none"> <li>• Monthly and quarterly claims paid/denied reports must be available no later than the end of the month following the close of the period in question.</li> <li>• Provide a year-end financial accounting for the program within 60 days of the</li> </ul>

Responsibility	State of Nebraska	STD and LTD Vendor
		contract anniversary date.
9. MISCELLANEOUS		<ul style="list-style-type: none"> <li>• Attends quarterly meetings with State of Nebraska and other meetings as requested by the State at insurance company expense.</li> <li>• Provides proposed fee changes by January 1 for the subsequent July 1 start date unless otherwise requested by the State.</li> <li>• Advises State of any new regulatory compliance issues that affect the State's account.</li> </ul>

Confirmed with the following deviations:

**3. Communications:**

- While we do not provide an SPD, we will provide an LTD/STD booklet/certificate. If you want the certificate to be available through your company website, we require a signed agreement verifying that the information provided within the electronic file will not be altered.

**4. Claim Processing:**

- No W-2 or tax services are available on a 100% voluntary program, as the benefits are non-taxable.

**8. Reporting:**

- Timing of reports will vary, but generally reports are updated monthly. Reports are available in PDF and Excel format via our employer website, email or hard copy, according to your preferred schedule. This timing also applies to customers who have opted for self-service reporting access through our employer website.

- Within 120 days from year-end, we will provide you with a completed Compensation Disclosure Statement. Provided all applicable information is correct, complete and at our disposal by the end of the policy period, we will make every reasonable effort to supply this information within the earlier part of this time period.

## **E. DELIVERABLES**

**See attached Cost Proposal Sheet.**

The completed Cost Proposal Sheet has been included in our proposal.

## Attachment A Vendor Requirements Matrix

CONTRACT ADMINISTRATION	
1.	<p><b>Provide documentation that bidder is licensed to conduct business in the State of Nebraska and be responsible for administering the State’s STD plan and LTD plan in accordance with all applicable laws, regulations, IRS requirements, and State of Nebraska requirements.</b></p> <p>Response:</p> <p>Confirmed. Please refer to Exhibit 2 for our Nebraska Certificate of Compliance.</p>
2.	<p><b>Describe commitment to work cooperatively with the State of Nebraska and provide at least one day-to-day contact person for account management of the STD and LTD contract.</b></p> <p>Response:</p> <p>Your account will be serviced by a team that will focus on delivering for you and your employees at all times. We deliver an integrated sales and service customer unit model with a designated Client Services Team. Your Client Services Team will build a relationship with you and your team by developing an intimate knowledge of your needs, objectives, culture and philosophy. Your Client Services Team includes the following resources for initial and ongoing comprehensive support:</p> <p><b>Senior Account Executive</b> Leah McCrady is your Senior Account Executive and is responsible for your satisfaction with us. Leah will consult with you on all aspects of your MetLife relationship, including plan design matters and new product offerings. Leah will also handle the renewal of your business and serve as an escalation point on any matter related to your business with MetLife.</p> <p><b>Client Services Director</b> Kendra Walter directs the team of consultants that provides specialized administrative services to support the benefit programs for our National Accounts customers. Kendra is accountable for overall service and operational delivery, strategic planning and consultation, project management and providing mentorship and manager development.</p> <p><b>Client Services Consultant</b> Melanie Hammer is responsible for the day-to-day administrative needs of National Accounts customers and will serve as your single point of contact. Melanie will work closely with your Account Executive and Client Services Director. Melanie’s responsibilities involve administrative and claim-related processes including plan implementation, benefit consultation and preparation of forms and contracts. In addition, Melanie acts as a liaison between your benefit managers and our claim offices on benefit interpretation, eligibility verification and escalated claim issues. Melanie will have the decision-making authority and ability to direct resources on all obligations of your contract.</p> <p><b>Financial Service Director</b> Tom Rauenbuehler leads and directs a team of Financial Consultants responsible for the financial administration, reporting and data analytics for National Accounts customers. Tom works closely with the Client Services Directors to ensure timely and accurate internal and customer financial accounting.</p> <p><b>Financial Consultant</b> Jaspreet Marwaha is responsible for overall billing, banking, annual accounting, customer reporting and analysis. The Financial Consultant partners with your Client Services Consultant on overall deliverables and service.</p> <p><b>Absence &amp; Leave Consultant</b> Your Absence and Leave Consultant (ALC) serves as an adjunct to your Client Services Consultant. Our ALC’s are professionals with extensive experience in disability management. These individuals are selected based on their depth and range of experience, analytical skills and proven expertise in disability plan design and management.</p>

**PROPRIETY & CONFIDENTIAL**

	<p><b>Provide information regarding restrictions or benefit limitations for pre-existing conditions applied to any employee under the plan.</b></p>
3.	<p>Response:</p> <p>MetLife is quoting the same 3/12 Pre-Existing Condition provision that is currently included in the STD and LTD plans. We will also provide Continuity of Coverage for current enrollees meaning if the plans are moved to MetLife, we will credit any time insured under the prior carrier towards satisfaction of the Pre-Existing Condition provision.</p> <p>Our standard pre-existing condition provision does not include prudent person language.</p> <p>The following is the pre-existing condition language from our Disability contract:</p> <p><i>Pre-existing condition means a sickness or accidental injury for which an employee:</i></p> <ul style="list-style-type: none"> <li>• <i>Received medical treatment, consultation, care, or services; or</i></li> <li>• <i>Took prescription medication or had medications prescribed in the 3 months before the employee's insurance or any increase in the amount of insurance under this certificate takes effect.</i></li> </ul> <p><i>MetLife will not pay benefits, or any increase in benefit amount due to:</i></p> <ul style="list-style-type: none"> <li>• <i>An elected increase in the amount of an employee's insurance; or</i></li> <li>• <i>An amendment to the plan for a disability that results from a pre-existing condition, if the employee has been actively at work for less than 12 consecutive months after the date their disability insurance or the elected increase in the amount of such insurance, as shown in the Schedule of Benefits, takes effect under this certificate.</i></li> </ul> <p>Please note: State variations may apply.</p>
	<p><b>Indicate Acceptance of the current enrollment files for the State's employees.</b></p>
4.	<p>Response:</p> <p>Confirmed. We have the capability to accept eligibility in a variety of formats.</p>
	<p><b>Review all plans, draft plan abstracts, and confirm plan provisions with the State.</b></p>
5.	<p>Response:</p> <p>Confirmed. Our implementation process focuses on making sure you are aware of differences between the new and prior carrier's plans. A full review of your prior carrier booklet is completed to identify any compliance issues or system constraints we may have with duplicating your prior plan. These differences are reviewed during the initial implementation meeting to finalize plan details. Prior to loading our claim systems, quality assurance checks are completed. The final stage of the quality assurance process is to review our booklet/certificate against our claim system to ensure that all issues have been properly addressed prior to the plans being put into production.</p>
	<p><b>Describe the draft, revision, and finalization of the policy and benefit summaries (Summary Plan Descriptions (SPD)/booklets) for review by the State by the 10<sup>th</sup> business day of February each calendar year for the July 1<sup>st</sup> plan year.</b></p>
6.	<p>Response:</p> <p>We will provide drafts in a format that will allow you to easily review them for accuracy and completeness. Your sign-off is required before we finalize any documents. Our premium rates include preparing, printing and delivering booklet/certificates in lieu of summary plan descriptions (SPDs) for insured coverages.</p>

**PROPRIETY & CONFIDENTIAL**

	We are open to discussing other approval methods if you have specific process needs.
7.	<b>Provide SPDs in an electronic format for access via internet or intranet.</b>
	<p>Response:</p> <p>Confirmed. In lieu of summary plan descriptions (SPDs) for insured coverages, the booklet/certificate is provided as a PDF.</p> <p>If you want the certificate to be available through your website, we require a signed agreement verifying that the information provided within the electronic file will not be altered.</p>
8.	<b>Deliver an Administration Manual containing all user guidelines on such matters as eligibility, reports, plan summaries and procedures 60 days prior to plan year.</b>
	<p>Response:</p> <p>Confirmed. We have an online employer administration manual that includes standard plan, process and forms.</p>
9.	<b>Describe the State staff portal for eligibility updates, eligibility validation, uploading documentation, pulling management reports, etc.</b>
	<p>Response:</p> <p>With our employer website you have access to the following common functions:</p> <ul style="list-style-type: none"> <li>• Update a claim;</li> <li>• View contact information;</li> <li>• Review the Daily Status View for an overview of the prior day's claim submissions, updates and more;</li> <li>• Send messages to us with attachments to include in the claim file;</li> <li>• Run reports and set up recurring reports;</li> <li>• Add, change or view eligibility information;</li> <li>• Upload an eligibility file;</li> <li>• Submit invoices, create and edit bills;</li> <li>• Set up ACH accounts;</li> <li>• View Statement of Health statuses;</li> <li>• Access our forms library;</li> <li>• Set up optional email alerts;</li> <li>• View summaries of new state or federal laws and regulations;</li> <li>• Access our User Guide for instructions on how to use employer website features.</li> </ul> <p>Individual claim status data and detail can be viewed in real time on our employer portal. The Daily Status View also reflects total activity from the preceding day to show claims approved, denied, pending or in progress.</p> <p>You will also have additional access to a team of resources via live chat through our employer portal. You are also able to add comments on the claim that become part of the claim record, as well as access employer correspondence.</p> <p>The MetAnalytics Dashboard is an interactive dashboard with trends and program performance. Daily updates are made on disability claims. The MetAnalytics Dashboard has drill-in capabilities to absence and employee detail. You have the ability to create your own customized views by saving bookmarks. Reports can be accessed at any time.</p>



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<b>10.</b>	<p><b>Describe the employee/claimant portal for monitoring claim status, communications, uploading documentation, etc.</b></p> <p>Response:</p> <p>With our fully mobile-enabled employee website, your employees have access to the following common functions:</p> <ul style="list-style-type: none"><li>• File a claim;</li><li>• Update and upload additional information for a claim;</li><li>• Set up and manage direct deposits;</li><li>• View contact information for the assigned Claim Specialist;</li><li>• View claim status and payment details;</li><li>• Complete and submit a Statement of Health;</li><li>• Check Statement of Health status;</li><li>• Access standard Disability forms.</li></ul> <p>By using our fully mobile-enabled employee website, claimants can access claim status, correspondence and other important claim details online. Claimants may file claims, establish or change EFT, add comments to the claim that become part of the claim record, see Claim Specialist contact information, access/download forms and view videos explaining the claim process. Employees may also subscribe to receive eAlerts. Additionally, we offer employees the option to receive claim updates via text message.</p>
<b>11.</b>	<p><b>Communications (phone calls, emails) should be responded to within 24 hours. The customer service department shall provide telephone support to members via a toll-free number and maintain telephone technology for the hearing and visually impaired.</b></p> <p><b>Describe your customer service process, including the hours of operation and methods of contact.</b></p> <p>Response:</p> <p><b>Client Services Consultants</b> Our Client Services Consultants respond to you using our standard response metrics as follows; we are willing to discuss our ability to meet additional expectations:</p> <ul style="list-style-type: none"><li>• All calls and voicemails received during normal business hours are returned within four hours and include a resolution or status update with expected timeframe for resolution;</li><li>• Calls and voicemails received after 4:00 p.m., CT are returned no later than 12:00 p.m., CT the following business day;</li><li>• Email acknowledgement is sent within six hours of receipt.</li></ul> <p><b>Customer Service</b> Customer Service Representatives are available through a toll-free number for intake and to answer inquiries. Our objective is to answer 80% of claim intake calls within 20 seconds or less. Our objective for abandonment is less than 3%.</p> <p>Representatives are available Monday through Friday, 7:00 a.m. to 10:00 p.m., CT.</p> <p>Callers may communicate with any of our call centers using a text telephone device and AT&amp;T's Relay Services. Definitions of these services and numbers are provided below:</p> <ul style="list-style-type: none"><li>• Relay Services – A communication link between TDD/TTY users and those who use a traditional telephone. The operator-guided service is provided 24/7/365. In most cases, there is no charge to access this service. Calls are handled in the strictest confidence;</li><li>• AT&amp;T Relay Service – 800-855-2880 (TDD/TTY), 800-855-2881 (TTY = Voice).</li></ul> <p><b>Claim Specialists</b> Our Claim Specialists have an objective to return all calls received before 2:00 p.m., CT by the end of the business day. Calls received after 2:00 p.m., CT are returned within one business day from when the call was received.</p>

**PROPRIETY & CONFIDENTIAL**

	<p>A toll-free number allows employees to reach their assigned Claims Specialist's extension for any inquiries.</p>
<b>12.</b>	<p><b>Describe the process for initial claim intake, validation of initial and continuing disability.</b></p> <p>Response:</p> <p>Our Disability claim management philosophy is about applying the right resources at the right time. We use these resources to manage claim results that ensure timely decisions and accurate payments. Ultimately, this creates a claim process that meets the needs of each employee.</p> <p>Regardless of the type of claim or leave request, we use a four-stage claim process:</p> <ul style="list-style-type: none"><li>• Stage One: Intake and initial investigation;</li><li>• Stage Two: Disability decision;</li><li>• Stage Three: Ongoing management and administration;</li><li>• Stage Four: Resolution.</li></ul> <p><b>Intake</b></p> <p>When we receive notice of an employee's absence, the STD claim management process begins. Claims can be submitted via mail, fax, telephone or through the Web using our employee website or our employer website.</p> <p>Both telephonic and employee Web submission methods require an eligibility file.</p> <p>We have developed technology through the use of data analytics into a proprietary algorithm that allow us to provide real time initial approval decisions to the claimant, when appropriate.</p> <p>Our algorithm was developed using millions of claims in our claims database. From our review of these claims, we have determined what the characteristics are of claims that are virtually approved in every instance. We also have paired this information with information on durational guidelines that combine industry durational guidelines with actual duration metrics derived from the claims in our own database. In the real time, the logic takes the information provided by the claimant and asks the algorithm a set of yes/no questions that were developed based on approvable claims data. If the algorithm finds that all answers are affirmative, the claim is instantly approved with a duration that this appropriate for the type of claim. For these claims, the Claims Specialist will contact the claimant at the appropriate time during the lifecycle of the claim to obtain ongoing information to support continued disability.</p> <p>If the initial decision cannot be made during intake, or for validation, two initial attempts to contact the treating physician for medical verification are performed. Obtaining medical information by phone expedites the process and enables us to direct the investigation, The Claim Specialist contacts the claimant and physician by telephone to introduce themselves, provide direct contact information and to ask for any missing data and obtain any medical information necessary to evaluate the claim. Personal contact with the claimant establishes a cooperative relationship allowing us to assess the individual's attitude and motivation for RTW. Telephone contact with the claimant continues throughout the life of a claim, regardless of the length of disability.</p> <p>Our Claim Specialist contacts the claimant and physician by telephone for any missing data and to obtain any medical information necessary to evaluate the claim. A Clinical Specialist may assist with gathering information for more complicated conditions. We use a tiered approach to engaging clinicians. This places more emphasis on claims that can benefit from additional clinical management and review. This approach to engaging clinical support is based on the level of claim complexity and the claimant's functional capacity. Predictive analytics are utilized to score the claim based on the complexity of the claim opportunity and the system automatically routes the claim to the appropriate clinical specialist when required. We continuously refine clinician engagement at our Clinical Innovation Center, where we can test and refine clinical protocols prior to rolling them out to the entire claim organization.</p> <p>From an employee perspective, employees can obtain claim status detail online via our employee portal, which is fully mobile enabled. By using the portal, employees can access claim status, correspondence and other important claim details online. To ensure we are communicating with employees through their preferred method, they are empowered to select how they want to hear from us (such as through phone, text, Mail and/or email). Employee communication preferences will be captured by us during the claim intake process and can be changed by the employee at any time.</p>

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You and your HR representatives can utilize our employer portal to view and update information on an ongoing basis.

### **Stage Two: STD Decision**

Once vocational, personal and medical information have been obtained, the Claim Specialist and/or clinical resource (Nurse Consultant, Clinical Specialist or Vocational Rehabilitation Consultant) reviews all the information. A Disability determination is based on several factors, including but not limited to:

- Plan provisions, including the definition of disability;
- Medical information provided by the treating physician, including any limitations and restrictions;
- Circumstances of the disability, treatment plan and prognosis;
- Claimant's functional job demands (physical and cognitive) and the effect of the disability on functional capacity;
- Claimant's ability to earn an income.

A comparison of the claimant's functional capabilities and job demands is critical in identifying the level of impairment and any barriers for RTW. Barriers identified are addressed to determine whether accommodations can be made. If accommodations cannot be made, we work with you to develop an action plan to return the claimant to work.

We utilize duration guidelines in our STD claim evaluation and management process. Each team member can access an online database at their workstation to identify the anticipated period of recovery. Expected recovery periods are based on a combination of diagnosis, the type of work the claimant performs and other relevant factors. Duration guidelines are not the sole determinant of the length of disability; however, they are just one piece of information used to establish a reasonable estimated RTW date.

Once the evaluation is complete, the STD Claim Specialist approves or denies the claim. The claimant is notified of the decisions through their preferred communication channel or channels, which can include by phone, text and in writing, utilizing combined correspondence. Approved claim communication includes the expected RTW date or, in the case of severe disability, the date when follow-up investigation will begin. You will receive an email alert advising that claim updates are available via our employer portal.

The claimant is expected to RTW on the anticipated date or provide updated medical information supporting the extended absence. We terminate payment of Disability benefits if additional medical information is not provided or if the information does not clearly support the claimant's inability to perform their occupation.

### **Ongoing Management**

We establish a follow-up schedule for claim review and/or to obtain additional medical information on a case-by-case basis. The Claim Specialist or clinical resource interacts directly with the treating physician to request updated medical information, discuss ongoing treatment plans and the claimant's ability to return to full or modified duty. We ensure that the physician has a thorough understanding of the claimant's job in order to fully evaluate the patient's condition and its impact on job performance.

We use a tiered approach to engaging clinicians. This places more emphasis on claims that can benefit from additional clinical management and review. This approach to engaging clinical support is based on the level of claim complexity and the claimant's functional capacity. Predictive analytics are utilized to score the claim based on the complexity of the claim opportunity and the system automatically routes the claim to the appropriate clinical specialist when required. We continuously refine clinician engagement at our Clinical Innovation Center, where we can test and refine clinical protocols prior to rolling them out to the entire claim organization.

The case is referred to a Vocational Rehabilitation Consultant (VRC) if additional vocational rehabilitation assistance is required. The VRC works with you and may suggest a modified schedule, such as part-time employment, modifications to the claimant's job duties or other accommodations to facilitate RTW.

For ongoing disabilities, the STD Claim Specialist maintains a regular follow-up schedule for contacting the claimant regarding recovery progress, securing updated medical information from all treating sources, assessing RTW ability and notifying you of the claim status. We continue to utilize telephonic investigation as the primary means to gather information.

## PROPRIETY & CONFIDENTIAL

### **Resolution**

No less than seven days before the end of the approved period of disability, the STD Claim Specialist contacts your employee to determine whether they intend to return to work on the expected date. If your employee plans to return to work as anticipated, no further action is taken. If your employee does not intend to return to work as planned, additional medical information is gathered to support the ongoing disability.

### **Bridging to LTD**

The STD Claims Specialist is continually assessing the functional abilities of your disabled employees to determine if they remain unable to return to work and may be eligible for LTD.

No later than four to six weeks prior to the STD maximum duration date, the Claims Specialist must determine if and when it is appropriate to transition to an LTD claim. If an LTD transition occurs, all of the STD claim information is available to begin the LTD evaluation.

### **Investigation**

After verifying eligibility under the LTD plan, the LTD Claim Specialist begins the claim investigation. During the initial call to your employee, the LTD Claim Specialist discusses the following:

- Benefits schedule (usually monthly);
- Definition of disability under the plan guidelines;
- Claim investigation and evaluation process;
- Plan provisions that may require further explanation;
- Application for Social Security;
- Impacts on the benefit if Social Security is approved or other benefits are in place;
- Pertinent information and forms necessary to complete the investigation and make a claim decision.

### **Decision**

Based on information gathered from the investigation, the claim is approved or denied for LTD benefits by the Claims Specialist.

The employee receives notification in writing and by phone. When a claim update is available via our employer website, you receive an eAlert.

Our standard is to make an initial LTD claim decision within an average of five business days from receipt of all necessary information.

We issue payments approximately eight business days prior to the date the first benefit is due.

### **Ongoing Management**

We incorporate Social Security activities as part of the case management plan for each approved LTD claim. Unless the claimant is expected to RTW before the end of the 12-month Social Security out of work period, or is ineligible for other non-medical reasons, the claimant must apply for Social Security benefits. All newly approved LTD claims are reviewed by the Social Security expert to determine the need for Social Security intervention. The Social Security expert guides the claimant through the application process and assists in any subsequent appeal activities.

Referrals to clinical resources are automated. Predictive analytics are utilized to score the claim based on the complexity of the claim opportunity and the system automatically routes the claim to the appropriate clinical specialist when required. We continuously refine clinician engagement at our Clinical Innovation Center, where we can test and refine clinical protocols prior to rolling them out to the entire claim organization. The Claim Specialist may also refer cases at their discretion.

We continue to explore rehabilitation activities at appropriate intervals throughout the life of a claim. If rehabilitation opportunities are identified, the LTD Claim Specialist and, if appropriate, Vocational Rehabilitation Consultant work together with you and your employee to coordinate a successful return to work.

### **Resolution**

Once a claim has been approved, the frequency and extent of reinvestigation is based on the claimant's impairment and anticipated disability duration. When a disability is determined to be severe and permanently

**PROPRIETY & CONFIDENTIAL**

	<p>disabling, subsequent medical investigations are limited to confirmation of the continuing disability and the presence of medical treatment. During the reinvestigation of a claim, the Claim Specialist or clinician contacts the treating physician for current medical information, the treatment plan and response to treatment. The case may be referred to an Independent Physician Consultant (IPC) for a thorough review and evaluation, including discussion with the treating physician regarding treatment plans and prognosis. The IPC assesses the current information and assists the LTD Claim Specialist to determine if an independent medical examination, home visit and/or functional capacity evaluation is needed to accurately assess work capacity and response to treatment.</p> <p>Once the medical issues have been resolved, the file is re-evaluated for rehabilitation potential. Throughout the duration of the claim, the LTD Claim Specialist maintains regular contact with the claimant to monitor the claimant's progress, request additional information or clarify issues as they arise.</p> <p>Approved claims are automatically paid in our claim system when specific criteria are met. This eliminates the need for Claim Specialist intervention when claims are approved for repetitive payments.</p>
<p style="text-align: center;"><b>13.</b></p>	<p><b>Provide routine underwriting and actuarial services.</b></p> <p>Response:</p> <p>Confirmed. Our standard services for fully insured STD and LTD include plan benefit and cost estimates and plan revision estimates.</p>
<p style="text-align: center;"><b>14.</b></p>	<p><b>Make determinations with respect to submitted claims, including claim investigation and analysis prior to payment.</b></p> <p>Response:</p> <p>Confirmed. Our standard services for fully insured STD and LTD include the following:</p> <ul style="list-style-type: none"> <li>• Initial and subsequent evaluations;</li> <li>• Call center availability - Monday through Friday, 7:00 a.m. to 10:00 p.m. CT;</li> <li>• Eligibility determination;</li> <li>• Evidence of insurability for late enrollees, if applicable;</li> <li>• Adjudication;</li> <li>• Disability clinical case management;</li> <li>• Clinical model, supported by Registered Nurses, Psychiatric Clinical Specialists and Independent Physician Consultants;</li> <li>• Rehabilitation expertise, including Vocational Rehabilitation Consultants and Return to Work Coordinators;</li> <li>• Communications;</li> <li>• Social Security experts for assistance with application and appeal of negative benefit decisions;</li> <li>• Independent Medical Examinations (IMEs), Physician File Reviews and Functional Capacity Exams (FCEs);</li> <li>• Investigation Unit;</li> <li>• Overpayment recovery;</li> <li>• Disability case management tools;</li> <li>• Claim management tools and reports;</li> <li>• Claimant services;</li> <li>• Dedicated Quality Management staff;</li> <li>• Dedicated training staff;</li> <li>• Online access for employers.</li> </ul>
<p style="text-align: center;"><b>15.</b></p>	<p><b>Maintain claim files to support payment, denials and appeals. Documentation must be legally acceptable and readily accessible.</b></p>

**PROPRIETY & CONFIDENTIAL**

	<p>Response:</p> <p>Confirmed. Active claims remain on our Disability claim system until benefits are exhausted or terminated. Following termination of benefits, the claims are closed and remain on the system for a minimum of three years.</p> <p>After three years, records are archived and stored up to 10 years. Retrieval time varies, depending on the volume of data to be retrieved and age of the data.</p> <p>We also store claim data in a reporting database for a minimum of five years. This data is immediately accessible.</p>
	<p><b>Explain the medical review and integration with medical administrator for co-management of claim.</b></p>
16.	<p>Response:</p> <p>The Claim Specialist will identify those cases in which the individual would benefit from medical case management services provided by the medical carrier or those who are already receiving these services. The Claim Specialist contacts the medical case manager to initiate coordination activities; they may also engage a MetLife Clinical resource in these discussions. Referral is followed by ongoing communications between our Claim Specialist and the medical case manager to monitor patient progress and exchange updated medical information. We communicate telephonically or electronically, depending on your preference and the medical carriers' capabilities.</p>
	<p><b>Describe the process to evaluate and recommend Return to Work options and accommodations.</b></p>
17.	<p>Response:</p> <p>We support return to work through contract incentives and within our case management process. Once your employee's condition is stabilized, we work with you, your employee and the treating physician to explore job modifications, accommodations and other opportunities for return to work.</p> <p><b>STD</b> Rehabilitation efforts for STD focus on returning your disabled employees to the job held prior to becoming disabled. The return to work may be part or full time, with or without job or worksite modifications. Individual cases are discussed with you. Often your employees can return to their jobs earlier than anticipated if you are able to accept the employee back with certain restrictions. This can be on a temporary or permanent basis.</p> <p><b>LTD</b> LTD cases with vocational rehabilitation potential are referred to a Rehabilitation Consultant. If it appears the case has a high potential for success, the consultant contacts you, your employee and the treating physician to develop a customized plan. The Claim Specialist remains involved and manages the claim in conjunction with the rehabilitation effort.</p> <p>A plan may be developed with or without accommodations in an alternate occupation with you. A plan may also be developed for return to work in your employee's own occupation or another occupation with a new employer. We may contract with a local certified rehabilitation vendor to interview and potentially work with your disabled employee to implement a rehabilitation plan.</p> <p>While involved in an approved rehabilitation plan, as part of our standard fully insured contracts, a disabled employee may be eligible for several incentives including an additional 10% Rehabilitation Incentive, a Family Care Benefit and/or worksite modifications coordinated between us.</p> <p>Our Work Incentive Benefit allows a disabled employee who is attempting a return to work to receive up to 100% of predisability earnings between rehabilitative earnings, other income and the MetLife benefit (our benefit is adjusted so that the employee does not receive more than 100% of predisability earnings).</p>

**PROPRIETY & CONFIDENTIAL**

<p style="text-align: center;"><b>18.</b></p>	<p><b>Describe bidder's transition from STD to LTD, when applicable.</b></p> <p>Response:</p> <p>The STD Claims Specialist is continually assessing the functional abilities of your disabled employees to determine if they remain unable to return to work and may be eligible for LTD.</p> <p>The STD Claims Specialist must determine when it is appropriate to transition to an LTD claim four to six weeks prior to the STD maximum duration date. If an LTD transition occurs, all of the STD claim information is available to begin the LTD evaluation.</p>
<p style="text-align: center;"><b>19.</b></p>	<p><b>Describe bidder's fraud monitoring and detection.</b></p> <p>Response:</p> <p>We have implemented a number of initiatives to detect and deter fraudulent Disability claims. Our initiatives center on training, system security, procedural protocols, segregation of duties and internal investigation services.</p> <p><b>Training</b> Our training program addresses all aspects of fraud detection, prevention and investigation. During training, we provide examples of potential fraud indicators. The trainer gives detailed instructions regarding our procedural protocols. This general training is supplemented by annual training sessions.</p> <p><b>System Security</b> System access is limited to authorized staff members. Access is only permitted after the input of the employee's ID number, password, claim office code and authorization code. Certain functions are restricted to authorized personnel identified within the system. The system generates and maintains a dated audit trail anytime a claim is added to the system or altered. This trail includes a depiction of the claim prior to the alteration, the transaction details and the employee ID of the individual involved.</p> <p><b>Procedural Protocols</b> Members of our Disability management staff carefully review all forms and medical documentation for alterations. The contents of unsigned medical documentation and the validity of the information received are verified through direct contact with the medical provider.</p> <p><b>Segregation of Duties</b> We employ a front-end claim entry process. Our intake unit logs all new claims on our claim system. In lieu of claims personnel, a dedicated group handles this function.</p> <p><b>Investigation Services</b> When suspicious claim activity is uncovered, the situation is referred to our investigative partners to coordinate possible surveillance and investigation. These specialists have backgrounds in private investigation, military intelligence, law enforcement or insurance investigation. Our investigative partners conduct onsite surveillance and in-person interviews as necessary. The Fraud, Waste and Abuse Center of Excellence is responsible for providing staff training sessions on topics such as identifying red flags and investigative techniques.</p>
<p style="text-align: center;"><b>20.</b></p>	<p><b>Provide ongoing assistance in administration, claim adjudication, and general problem solving. Periodic account servicing meetings will be held with the account manager and claims support group.</b></p> <p>Response:</p> <p>Confirmed. Our standard materials and services for fully insured STD and LTD include the following:</p> <ul style="list-style-type: none"><li>• Administration</li><li>• Claim management</li><li>• Employer and employee websites</li><li>• Financial estimates</li></ul>

**PROPRIETY & CONFIDENTIAL**

	<ul style="list-style-type: none"> <li>• Reports</li> <li>• Taxes</li> <li>• Marketing services</li> </ul> <p>We are committed to timely, accurate and effective communication with our customers. We will schedule periodic meetings on a case-by-case basis to discuss claim status, your business initiatives and plan strategy.</p> <p>We will collaboratively review your reporting package to discuss its findings and develop ongoing strategies, plan and/or process changes to benefit your plan and your participants.</p>
21.	<p><b>Refrain from issuing any external communications material that mentions the State's benefit plans without written approval from the State. To include, but not limited to, newsletters and publications to agents, brokers and consultants.</b></p> <p>Response:</p> <p>Confirmed.</p>
22.	<p><b>Design and submit for approval electronically, the EOI forms with the State's logo for use by plan participants to enroll, and change their coverages, in accordance with plan provisions.</b></p> <p>Response:</p> <p>Subject to regulatory approval, customer logos may be included on enrollment forms, booklet/certificates and claim forms at no additional charge. If you want your logo to appear in color, we recommend you submit the corresponding Pantone® Matching System color number references.</p> <p>Our forms, policies and certificates are filed with state departments of insurance and in some cases, we have limited latitude to make changes.</p>
23.	<p><b>When customized printing is requested by the State, present a complete draft and subsequent proof to the State for sign-off. The vendor must ensure that logo placement and color requirements are met. Vendor will be responsible for costs of printing booklets, certificates, or SPDs as required.</b></p> <p>Response:</p> <p>We will provide drafts in a format that will allow you to easily review them. Your sign-off is required before we finalize any documents. Our premium rates include preparing, printing and delivering booklet/certificates in lieu of summary plan descriptions (SPDs) for insured coverages.</p> <p>Subject to regulatory approval, customer logos may be included on enrollment forms, booklet/certificates and claim forms at no additional charge. If you want your logo to appear in color, we recommend you submit the corresponding Pantone® Matching System color number references.</p> <p>Our forms, policies and certificates are filed with state departments of insurance and in some cases, we have limited latitude to make changes.</p>
24.	<p><b>Handles problems and complaints initially and pursues all other inquiries in a timely fashion and advises State of NE of escalated issues and recurring patterns.</b></p> <p>Response:</p> <p>Confirmed.</p>
25.	<p><b>Develops enrollment materials. Provide an example of an employee enrollment kit.</b></p>



**PROPRIETY & CONFIDENTIAL**

	<p>Response:</p> <p>Confirmed. Please refer to Exhibit 3 for a sample enrollment kit and Exhibit 4 for our sample enrollment and communications plan.</p>
<b>IMPLEMENTATION</b>	
	<p><b>Provide a detailed timeline and implementation plan including deadlines set forth in this RFP including State resources and personnel required.</b></p>
<p>26.</p>	<p>Response:</p> <p>We have provided a sample implementation schedule outlining the responsibilities for both you and MetLife during the implementation period. A more completed and customized implementation schedule, including detailed tasks and responsibilities, will be developed for your initial implementation meeting.</p> <p>We will create and review an Implementation Guide during your initial implementation meeting. The guide identifies each key implementation task and assigns deliverable due dates and responsible parties in order to appropriately set expectations.</p> <p>An implementation timeline is included as Exhibit 5.</p>
	<p><b>No statement of health or medical evidence will be imposed upon the initial group of covered employees.</b></p>
<p>27.</p>	<p>Response:</p> <p>Confirmed.</p>
	<p><b>Provide coverage to all present participants enrolled on the program effective date. No active employees or disabled employees shall lose coverage as a result of a change in the vendor.</b></p>
<p>28.</p>	<p>Response:</p> <p>We include a Continuity of Coverage provision with any fully insured coverage that we take over from a prior insurance carrier. This provision is also known as no-loss, no-gain.</p> <p>The following rules will apply if this Disability Income Insurance:</p> <ul style="list-style-type: none"> <li>• Replaces a plan of group disability income coverage provided to an employee by the Policyholder, or;</li> <li>• Replaces a Prior Plan of group disability income coverage provided to an employee by a former employer when the replacement results from the Policyholder's acquisition of, merger with, or other combination with that employer.</li> </ul> <p>Prior Plan means the plan of group disability income coverage that was provided to you on the day before the replacement date and is being replaced by this insurance. Replacement Date means the effective date of this Disability Income Insurance under the Group Policy.</p> <p><b>Rules for When Insurance Takes Effect if the Employee Was Insured Under the Prior Plan on the Day Before the Replacement Date</b></p> <ul style="list-style-type: none"> <li>• If employees are actively at work on the day before the replacement date, they will become insured for Disability Income Insurance on the replacement date;</li> <li>• If employees are not actively at work on the day before the replacement date because of disability, they will become insured for Disability Income Insurance on the date they return to active work;</li> <li>• We will credit any time the employee accumulated toward the eligibility waiting period under the prior plan to our plan's eligibility waiting period;</li> <li>• Benefits paid for the disability will be the same as the benefit that would have been paid under the previous plan minus any benefit amount the prior carrier owes;</li> </ul>

**PROPRIETY & CONFIDENTIAL**

	<ul style="list-style-type: none"> <li>• Benefit payments for the disability will end either on the date that the payments end under our plan or the date that they would have ended under the prior plan; whatever is earlier.</li> <li>• If employees are on an approved leave of absence on the replacement date, they will become insured for Disability Income Insurance on the replacement date. If employees do not return to work at the end the approved leave of absence, their Disability Income Insurance will end.</li> </ul> <p><b>Rules for When Insurance Takes Effect if the Employee Was Not Insured Under the Prior Plan on the Day Before the Replacement Date</b></p> <ul style="list-style-type: none"> <li>• Employees will be eligible for Disability Income Insurance under our plan when they meet the eligibility requirements;</li> <li>• We will credit any time the employee accumulated toward the eligibility waiting period under the prior plan to our plan's eligibility waiting period.</li> </ul> <p><b>Rules for Pre-existing Conditions</b></p> <p>In determining whether a disability is due to a pre-existing condition, we will credit employees for any time they were insured under the prior plan. If the disability is due to a pre-existing condition as described in our certificate, but would not have been due to a pre-existing condition under the prior plan, we will pay a benefit equal to the lesser of:</p> <ul style="list-style-type: none"> <li>• The benefit amount under our certificate;</li> <li>• The Disability Income Insurance benefit that would have been payable to them under the prior plan.</li> </ul> <p>If the disability would have been due to a pre-existing condition under the prior plan, it will be treated as having been caused by a pre-existing condition under our certificate.</p> <p><b>Rules for Temporary Recovery from a Disability under the Prior Plan</b></p> <p>We will waive the elimination period that would apply under our plan if employees:</p> <ul style="list-style-type: none"> <li>• Received benefits for a disability that began under the prior plan;</li> <li>• Returned to work as active full-time employees prior to the replacement date;</li> <li>• Became disabled, as defined under our plan, after the replacement date and within 90 days of return to work due to a sickness or accidental injury that is the same as or related to the prior plan's disability;</li> <li>• Were no longer entitled to benefits for the prior plan's disability because they were no longer insured under the prior plan; and</li> <li>• Would have been entitled to benefit payments with no further elimination period under the prior plan, had it remained in force.</li> </ul>
<p style="text-align: center;"><b>29.</b></p>	<p><b>Any "actively at work" requirements will be waived for current covered employees.</b></p> <p>Response:</p> <p>The actively-at-work definition applies to all covered employees. Employees must be actively at work or at active work and performing all of the usual and customary duties of their job on a full-time basis. This must be done at one of the following:</p> <ul style="list-style-type: none"> <li>• The policyholder's place of business;</li> <li>• An alternate place approved by the policyholder;</li> <li>• A place to which the policyholder's business requires them to travel.</li> </ul> <p>Employees are considered actively at work during weekends, approved vacations, holidays or business closures if they were actively at work on the last scheduled workday preceding such time off.</p> <p>Please refer to the Continuity of Coverage response above for additional insights.</p>
<p style="text-align: center;"><b>30.</b></p>	<p><b>Identify any programs, systems, or administrative opportunities that your organization can provide during the implementation process that would be beneficial to the State.</b></p>

**PROPRIETY & CONFIDENTIAL**

Response:

During Implementation, we will assign a Vocational Rehabilitation resource to participate and gain a better understanding of your RTW philosophy and activities. We will discuss your RTW policies and procedures and document them as part of the case management process. Ideally, you will provide us with a contact for employee specific RTW attempts and discussion. Your active participation and collaboration are critical to a successful RTW for disabled employees.

Additionally, we will work with you to identify training needs for your staff during the implementation process to ensure a seamless transition. At a minimum, Melanie Hammer, your Client Services Consultant, will provide your HR/benefit staff training on all systems, reporting and invoicing as necessary, using a combination of conference calls, webinars and other online resources.

**REPORTING**

**Describe monthly, quarterly, semi-annual, and annual reporting to include but not limited to: Utilization, approvals/denials of coverage, etc.**

31. Response:

**Dashboard Reporting**  
The MetAnalytics Dashboard is an interactive dashboard with trends and program performance. Daily updates are made on disability claims. The MetAnalytics Dashboard has drill-in capabilities to employee detail. You can create your own customized views by saving bookmarks.

Details included in the dashboard include:

- Distribution of claims by diagnosis, work location, job title and age group;
- Drill-into major/minor diagnosis categories with trending;
- Social Security application status and award levels;
- Detailed listings of claims with employee information, claim status and benefit period.
- Daily data updates with snapshots of activity in the current week, month or year;
- Monthly, quarterly and annual trends;
- MetLife industry and book of business benchmarking;
- Closure and denials reasons;
- Report summaries that can be exported to PDF.

**Report Center**

- Additionally, we provide comprehensive insight into your programs through our standard reports available in our Report Center.
- Disability Claim Status Detail – Disability claims by employee and benefit status;
- Disability Claim Lag and Submission Detail – Disability claims with reporting lag information on each claim.

Additionally, you will be assigned an Absence & Leave Consultant (ALC). Your ALC serves as an adjunct to your Client Services Consultant. Our Absence & Leave Consultants are professionals with extensive experience in disability management. These individuals are selected based on their depth and range of experience, analytical skills and proven expertise in disability plan design and management. The value-added services they provide include:

- Customized plan design data analysis;
- Identification of disability trends through customized reporting;
- Disability management strategies and recommendations;
- Reduction of costs through streamlining/refining policies and procedures.

Your ALC works closely with the Client Services and Claim teams to compile data and conduct in-depth analysis of your Disability and absence programs. Key aspects of the ALC role are the review of your claim

**PROPRIETY & CONFIDENTIAL**

	<p>data, trending the data based on your specific needs and recommending program changes or education needed to improve your productivity. The goal of the ALC is to focus on managing disabilities, provide additional expertise and increase your awareness for effective absence management.</p> <p>To support this goal, we will provide an annual Absence Management Review covering your programs. This report is delivered via email and/or in hard copy with included commentary providing comparative analysis and trend identification. We provide a flexible format so that reporting data can be reflected in aggregate or at a more detailed level.</p> <p>These reports present statistical results from key areas of disability management and highlight observations, key findings and recommendations relative to the Disability plans and absence management.</p> <p>The following areas of consideration may be included in this review process:</p> <ul style="list-style-type: none"> <li>• Claims process and management;</li> <li>• Appeals;</li> <li>• Social Security assistance;</li> <li>• Overpayments and recoveries;</li> <li>• Early notification and/or early intervention;</li> <li>• Vocational rehabilitation and return to work programs;</li> <li>• Plan design;</li> <li>• Integrated disability management.</li> </ul>
<b>32.</b>	<p><b>Provide a year-end financial accounting for the program within 60 days of the contract anniversary date.</b></p> <p>Response:</p> <p>Within 120 days from year-end, we will provide you with a completed Compensation Disclosure Statement. Provided all applicable information is correct, complete and at our disposal by the end of the policy period, we will make every reasonable effort to supply this information within the earlier part of this time period.</p>
<b>33.</b>	<p><b>Maintain an internal audit program and provide the State with a copy of the most recent internal audit report upon request.</b></p> <p>Response:</p> <p>Disability quality assurance audits are performed by a team of quality auditors. Audits are completed on a daily basis on a random sample of claims chosen from claims decisions made during the previous week.</p> <p>Our target sample size represents a valid sample of the claim receipts. On a product basis, this is approximately 3% of STD receipts and 10% of LTD receipts. We audit approximately 20,000 claims annually.</p> <p>In order to maintain an objective, impartial and random sampling process, audits are not based on staff experience. We perform audits on a sample of claims that provides results for customers and staff members.</p> <p>Our audit sample is a random pull to ensure compliance with any customer-specific, claim-related commitments. Decisions coded into our claim payment system may be subject to audit at any time.</p> <p>MetLife reports on audit results as part of the performance guarantees quarterly; however, penalties, if any, are paid annually.</p>
<b>PERFORMANCE GUARANTEES</b>	
<b>34.</b>	<p><b>Explain bidder’s formal performance guarantee program and provide a copy.</b></p>

**PROPRIETY & CONFIDENTIAL**

Response:

Our STD performance standards are as follows:

- Claim Acknowledgement;
  - Average of two business days;
  - From date of claim receipt to first contact with employee/employer.
- Initial Disability Decision;
  - Average of two business days;
  - From receipt of all necessary information to make initial decision.
- Financial Accuracy of 99%;
  - Dollars in sample paid correctly divided by dollars in sample.
- Decisional Accuracy of 98.5%;
  - Correct decisions made on meeting disability criteria.
- Procedural Accuracy of 95%;
  - Accuracy of file documentation;
  - Effective application of Disability management tools and initiatives.
- Statistical Coding Accuracy of 97%;
  - Accuracy in coding of ICD-9 Code, SSN, hire date, birth date, salary, claim status code, etc.
- Call Answer;
  - 80% of intake calls answered within 20 seconds.
- Call abandonment.
  - No greater than 3% abandonment rate on intake calls.

Our LTD performance standards are as follows:

- Claim Acknowledgement;
  - Average of five business days;
  - From date of claim receipt to first contact with employee/employer.
- Initial Disability Decision;
  - Average of five business days;
  - From receipt of all necessary information to make initial decision.
- Financial Accuracy of 99%;
  - Dollars in sample paid correctly divided by dollars in sample.
- Decisional Accuracy of 98.5%;
  - Correct decisions made on meeting disability criteria.
- Procedural Accuracy of 95%;
  - Accuracy of file documentation and effective application of Disability management tools and initiatives.
- Statistical Coding Accuracy of 97%;
  - Accuracy in coding of ICD-9 Code, SSN, hire date, birth date, salary, claim status code, etc.
- Any Occupation Decision of 95%;
  - Decision made on or before transition date or if not able to make a decision by then, for reasons beyond our control, followed appropriate transition process.
- Social Security Initiation of 95%;
  - Initiate Social Security pursuit within 14 business days from the LTD claim approval.
- Follow-Up on Social Security Denials or Appeals.
  - Average of five business days from receipt of the Social Security denial or appeal information to follow-up action.

Please refer to Exhibit 6 for a copy of our performance guarantees.

**BILLING**

**PROPRIETY & CONFIDENTIAL**

<p style="text-align: center;"><b>35.</b></p>	<p><b>Provide a description of premium billing procedures.</b></p> <p>Response:</p> <p>Bills can be submitted electronically using our employer website, or by email in Excel.</p> <p>This quote assumes that you will be self-billing on a simplified accounting basis. You maintain the individual employee records and calculate the monthly premium amount based upon your census, volume or covered payroll.</p> <p>Premium is considered to be received on the day payment arrives at our bank lockbox. Payments received before or after the 15th of the month are subject to credits or debits.</p> <p>We conduct a billing meeting during implementation, where we provide a Billing Guide and sample invoice templates. Your designated Financial Consultant will work with you on any additional billing needs.</p>
<p style="text-align: center;"><b>36.</b></p>	<p><b>Explain how bidder will maintain a process for the correction of under and over payments.</b></p> <p>Response:</p> <p><b>Underpayment</b> Once an underpayment is identified, we update the claim to issue any benefits and interest due.</p> <p>We follow the standard regulatory guidelines regarding delayed interest settlements. Interest due can result from many different situations and is resolved as appropriate based on individual claim facts.</p> <p><b>Overpayment</b> An important factor in our approach toward the recovery of overpayments is effective communication with your disabled employees. Claim Specialists maintain ongoing communication with your employees throughout the claim process making them aware of the repayment requirements upon award of other income that is offset by the plan. Disabled employees sign a repayment agreement that fully explains their responsibilities in pursuing other income benefits, such as Social Security or the repayment of any advanced funds. These preliminary activities create a mutual understanding of the overpayment process and the steps taken to recover an overpayment.</p> <p>When an overpayment situation occurs, the Claim Specialist immediately contacts your employee by telephone to initiate recovery. At this point, the situation is referred to our centralized Overpayment Unit for handling. A letter detailing the overpayment and requesting full reimbursement is then sent to your employee. If repayment has not been received within 30 days from the date of the letter, the Overpayment Specialist or recovery vendor calls your employee to discuss possible repayment options, such as a lump sum cash payment, installment payments and/or benefit credits. This follow-up activity normally generates positive results.</p> <p>In certain scenarios, the overpayment may be pursued by a Social Security vendor or a recovery vendor. The overpayment may be sent to our recovery vendor to be pursued if the overpayment is \$100.00 or higher for LTD Claims and \$500 or higher for STD Claims. Overpayments resulting from the death of the claimant and estimated offsets generating an overpayment are handled within the overpayment unit.</p> <p>During the LTD claim we work with our Social Security vendors to allow your employee to authorize a withdrawal from their bank account when the Social Security Administration makes the award. Your employee authorizes this transaction when they begin working with one of our approved vendors and then again prior to the award. Approximately 80% of the claimants working with one of our approved vendors take advantage of this option.</p>
<p style="text-align: center;"><b>37.</b></p>	<p><b>Withhold Medicare taxes from the disabled employee's disability benefits and remit them to the federal government.</b></p>

**PROPRIETY & CONFIDENTIAL**

	<p>Response:</p> <p>We automatically withhold Social Security and Medicare taxes from taxable Disability benefit payments issued during the first six continuous complete calendar months of the disability. This practice is applicable to benefits issued under STD, LTD and state temporary disability insurance plans.</p> <p>Employee FICA is withheld and remitted under MetLife's tax identification number under a fully insured financial arrangement.</p> <p>We note that the State of Nebraska has stated that employee contributions for both STD and LTD are made on a post-tax basis, so benefits presumably would not be taxable.</p>
<p><b>38.</b></p>	<p><b>Remit the State's portion of Medicare tax (from a State Medicare matching Fund) to the federal government.</b></p> <p>Response:</p> <p>We have the ability to remit the employer portion of FICA if you appoint MetLife as Agent for the remitting of the employer portion of FICA and provide us with a completed Agency Agreement form.</p> <p>The service is provided at a cost of the employer FICA remittance plus 3% of the amount of FICA remitted. The cost is included on your quarterly tax bill. However, we note that the State of Nebraska has stated that employee contributions for both STD and LTD are made on a post-tax basis, so benefits presumably would not be taxable.</p>

# Corporate Overview

## a. Bidder Identification and Information

**The bidder should provide the full company or corporate name, address of the company's headquarters, entity organization (corporation, partnership, proprietorship), state in which the bidder is incorporated or otherwise organized to do business, year in which the bidder first organized to do business and whether the name and form of organization has changed since first organized.**

Our legal name is Metropolitan Life Insurance Company. We are a subsidiary of MetLife, Inc.

Our address is as follows:  
200 Park Avenue  
New York, NY 10166-0188

Metropolitan Life Insurance Company is a subsidiary of MetLife, Inc., a publicly traded company.

Metropolitan Life Insurance Company is incorporated in New York, NY.

Metropolitan Life Insurance Company has been in business since 1868.

Metropolitan Life Insurance Company (MLIC), a New York corporation, was incorporated on March 24, 1868. MLIC became a direct, wholly owned subsidiary of MetLife, Inc. in 2000.

## b. Financial Statements

**The bidder should provide financial statements applicable to the firm. If publicly held, the bidder should provide a copy of the corporation's most recent audited financial reports and statements, and the name, address, and telephone number of the fiscally responsible representative of the bidder's financial or banking organization.**

Please see Exhibit 7 for our 2023 annual report.

John D. McCallion is our Executive Vice President and Chief Financial Officer. His contact information is as follows:  
Address: 200 Park Avenue New York, NY 10166  
Phone: 212-578-2167

**If the bidder is not a publicly held corporation, either the reports and statements required of a publicly held corporation, or a description of the organization, including size, longevity, client base, areas of specialization and expertise, and any other pertinent information, should be submitted in such a manner that solicitation evaluators may reasonably formulate a determination about the stability and financial strength of the organization. Additionally, a non-publicly held firm should provide a banking reference.**



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Not applicable.

**The bidder must disclose any and all judgments, pending or expected litigation, or other real or potential financial reversals, which might materially affect the viability or stability of the organization, or state that no such condition is known to exist.**

Lawsuits happen occasionally during the normal course of business. Additionally, state and federal authorities regularly make inquiries and conduct investigations regarding our compliance with applicable laws and regulations. In some cases, we have been assessed a financial penalty.

Current and recent litigation, regulation and claims matters can be found in MetLife, Inc.'s most recent 10-K and 10-Q filings. These filings are available at [www.metlife.com](http://www.metlife.com). We believe the matters noted within will not affect the quality service and support you expect from us.

We are happy to address any specific questions you may have.

**The State may elect to use a third party to conduct credit checks as part of the corporate overview evaluation.**

Noted.

### c. Change of Ownership

**If any change in ownership or control of the company is anticipated during the twelve (12) months following the solicitation response due date, the bidder should describe the circumstances of such change and indicate when the change will likely occur. Any change of ownership to an awarded bidder(s) will require notification to the State.**

Over the years, we have found strategic opportunities to grow our business throughout the world. From time to time, we have also divested businesses that no longer fit within our long-term strategy. If and when a transaction occurs, information is released to the public when appropriate. When we have a transaction of material size, we assemble a dedicated team to manage the transaction, minimizing any impact to our regular day-to-day activities.

### d. Office Location

**The bidder's office location responsible for performance pursuant to an award of a contract with the State of Nebraska should be identified.**

Our Customer Unit located in Aurora, Illinois will have responsibility for our performance pursuant to an award of a contract with the State of Nebraska.

## **e. Relationships with the State**

The bidder should describe any dealings with the State over the previous three (3) years. If the organization, its predecessor, or any Party named in the bidder's solicitation response has contracted with the State, the bidder should identify the contract number(s) and/or any other information available to identify such contract(s). If no such contracts exist, so declare.

We have not had any dealings with the State over the previous three years.

## **f. Bidder's Employee Relations to State**

If any Party named in the bidder's solicitation response is or was an employee of the State within the past twenty-four (24) months, identify the individual(s) by name, State agency with whom employed, job title or position held with the State, and separation date. If no such relationship exists or has existed, so declare.

If any employee of any agency of the State of Nebraska is employed by the bidder or is a subcontractor to the bidder, as of the due date for solicitation response submission, identify all such persons by name, position held with the bidder, and position held with the State (including job title and agency). Describe the responsibilities of such persons within the proposing organization. If, after review of this information by the State, it is determined that a conflict of interest exists or may exist, the bidder may be disqualified from further consideration in this solicitation. If no such relationship exists, so declare.

To the best of our knowledge, neither MetLife nor its subcontractors employ any prior State employees.

## **g. Contract Performance**

If the bidder or any proposed subcontractor has had a contract terminated for default during the past three (3) years, all such instances must be described as required below. Termination for default is defined as a notice to stop performance delivery due to the bidder's non-performance or poor performance, and the issue was either not litigated due to inaction on the part of the bidder or litigated and such litigation determined the bidder to be in default.

It is mandatory that the bidder submit full details of all termination for default experienced during the past three (3) years, including the other Party's name, address, and telephone number. The response to this section must present the bidder's position on the matter. The State will evaluate the facts and will score the bidder's solicitation response accordingly. If no such termination for default has been experienced by the bidder in the past three (3) years, so declare.

If at any time during the past three (3) years, the bidder has had a contract terminated for convenience, non-performance, non-allocation of funds, or any other reason, describe fully all circumstances surrounding such termination, including the name and address of the other contracting Party.

We have not had a contract terminated for default during the past three (3) years nor are we proposing a subcontractor who has terminated for default during the past three (3) years.

## **h. Summary of Bidder's Corporate Experience**

The bidder should provide a summary matrix listing the bidder's previous projects similar to this Solicitation in size, scope, and complexity. The State will use no more than three (3) narrative project descriptions submitted by the bidder during its evaluation of the solicitation response.

The bidder should address the following:

- i. **Provide narrative descriptions to highlight the similarities between the bidder's experience and this solicitation. These descriptions should include:**

### **Project #1 – CC Industries, Inc.**

- a) **The time period of the project;**

This contract became effective on January 1, 2021.

- b) **The scheduled and actual completion dates;**

Implementation began shortly after we received award notification and was successfully completed for the effective date of January 1, 2021.

- c) **The bidder's responsibilities;**

We provide Life, STD, LTD, FMLA, State Plan, Accident, Critical Illness, Hospital Indemnity and Legal coverages for CCI, including but not limited to the following services:

- Administration
- Claim management
- Employer and employee websites
- Financial estimates
- Reports
- Taxes
- Marketing services

- d) **For reference purposes, a customer name (including the name of a contact person, a current telephone number, a facsimile number, and e-mail address); and**

Customer Name: CC Industries, Inc.

Our existing customers have authorized MetLife to provide contact information at the finalist stage for a reference call to be scheduled. Thank you in advance for your understanding around providing contact information.

- e) **Each project description should identify whether the work was performed as the prime Vendor or as a subcontractor. If a bidder performed as the prime Vendor, the description should provide the originally scheduled completion date and budget, as well as the actual (or currently planned) completion date and actual (or currently planned) budget.**

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We were the prime vendor. We consider budget information to be proprietary and confidential.

- ii. **Bidder and Subcontractor(s) experience should be listed separately. Narrative descriptions submitted for Subcontractors should be specifically identified as subcontractor projects.**

Not applicable. This narrative is not for a subcontractor project.

- iii. **If the work was performed as a subcontractor, the narrative description should identify the same information as requested for the bidders above. In addition, subcontractors should identify what share of contract costs, project responsibilities, and time period were performed as a subcontractor.**

Not applicable.

**Project #2: Endeavor Air**

- a) **The time period of the project;**

These contracts became effective on October 1, 2021 and January 1, 2022.

- b) **The scheduled and actual completion dates;**

Implementation began shortly after we received award notification and was successfully completed for the effective dates above.

- c) **The bidder's responsibilities;**

We provide Life, STD, LTD, State Plans, Accident, Critical Illness, Hospital Indemnity and Legal coverages for Endeavor Air, including but not limited to the following services:

- Administration
- Claim management
- Employer and employee websites
- Financial estimates
- Reports
- Taxes
- Marketing services

- d) **For reference purposes, a customer name (including the name of a contact person, a current telephone number, a facsimile number, and e-mail address); and**

Customer Name: Endeavor Air

Our existing customers have authorized MetLife to provide contact information at the finalist stage for a reference call to be scheduled. Thank you in advance for your understanding around providing contact information.

**PROPRIETARY & CONFIDENTIAL**

- e) **Each project description should identify whether the work was performed as the prime Vendor or as a subcontractor. If a bidder performed as the prime Vendor, the description should provide the originally scheduled completion date and budget, as well as the actual (or currently planned) completion date and actual (or currently planned) budget.**

We were the prime vendor. We consider budget information to be proprietary and confidential.

- ii. **Bidder and Subcontractor(s) experience should be listed separately. Narrative descriptions submitted for Subcontractors should be specifically identified as subcontractor projects.**

Not applicable. This narrative is not for a subcontractor project.

- iii. **If the work was performed as a subcontractor, the narrative description should identify the same information as requested for the bidders above. In addition, subcontractors should identify what share of contract costs, project responsibilities, and time period were performed as a subcontractor.**

Not applicable.

**Project #3: Omaha Public Schools**

- a) **The time period of the project;**

This contract became effective on January 1, 2021.

- b) **The scheduled and actual completion dates;**

Implementation began shortly after we received award notification and was successfully completed for the effective date of January 1, 2021.

- c) **The bidder's responsibilities;**

We provide STD coverage for Omaha Public Schools, including but not limited to the following services:

- Administration
- Claim management
- Employer and employee websites
- Financial estimates
- Reports
- Taxes
- Marketing services

- d) **For reference purposes, a customer name (including the name of a contact person, a current telephone number, a facsimile number, and e-mail address); and**

Customer Name: Omaha Public Schools

## **PROPRIETARY & CONFIDENTIAL**

Our existing customers have authorized MetLife to provide contact information at the finalist stage for a reference call to be scheduled. Thank you in advance for your understanding around providing contact information.

- e) **Each project description should identify whether the work was performed as the prime Vendor or as a subcontractor. If a bidder performed as the prime Vendor, the description should provide the originally scheduled completion date and budget, as well as the actual (or currently planned) completion date and actual (or currently planned) budget.**

We were the prime vendor. We consider budget information to be proprietary and confidential.

- ii. **Bidder and Subcontractor(s) experience should be listed separately. Narrative descriptions submitted for Subcontractors should be specifically identified as subcontractor projects.**

Not applicable. This narrative is not for a subcontractor project.

- iii. **If the work was performed as a subcontractor, the narrative description should identify the same information as requested for the bidders above. In addition, subcontractors should identify what share of contract costs, project responsibilities, and time period were performed as a subcontractor.**

Not applicable.

## **i. Summary of Bidder's Proposal Personnel/Management Approach**

**The bidder should present a detailed description of its proposed approach to the management of the project.**

**The bidder should identify the specific professionals who will work on the State's project if their company is awarded the contract resulting from this Solicitation. The names and titles of the team proposed for assignment to the State project should be identified in full, with a description of the team leadership, interface, and support functions, and reporting relationships. The primary work assigned to each person should also be identified.**

**The bidder should provide resumes for all personnel proposed by the bidder to work on the project. The State will consider the resumes as a key indicator of the bidder's understanding of the skill mixes required to carry out the requirements of the Solicitation in addition to assessing the experience of specific individuals.**

**Resumes should not be longer than three (3) pages. Resumes should include, at a minimum, academic background and degrees, professional certifications, understanding of the process, and at least three (3) references (name, address, and telephone number) who can attest to the competence and skill level of the individual. Any changes in proposed personnel shall only be implemented after written approval from the State.**

A sample implementation timeline, which shows a detailed description of our proposed

## **PROPRIETARY & CONFIDENTIAL**

approach to the management of the project, is provided in Exhibit 5.

Your account will be serviced by a team that will focus on delivering for you and your employees at all times. We deliver an integrated sales and service customer unit model with a designated Client Services Team. Your Client Services Team will build a relationship with you and your team by developing an intimate knowledge of your needs, objectives, culture and philosophy. Your Client Services Team includes the following resources for initial and ongoing comprehensive support:

- **Senior Account Executive**

Leah McCrady is your Senior Account Executive and is responsible for your satisfaction with us. Leah will consult with you on all aspects of your MetLife relationship, including plan design matters and new product offerings. Leah will also handle the renewal of your business and serve as an escalation point on any matter related to your business with MetLife.

- **Client Services Director**

Kendra Walter directs the team of consultants that provides specialized administrative services to support the benefit programs for our National Accounts customers. Kendra is accountable for overall service and operational delivery, strategic planning and consultation, project management and providing mentorship and manager development.

- **Client Services Consultant**

Melanie Hammer is responsible for the day-to-day administrative needs of National Accounts customers and will serve as your single point of contact. Melanie will work closely with your Account Executive and Client Services Director. Melanie's responsibilities involve administrative and claim-related processes including plan implementation, benefit consultation and preparation of forms and contracts. In addition, Melanie acts as a liaison between your benefit managers and our claim offices on benefit interpretation, eligibility verification and escalated claim issues. Melanie will have the decision-making authority and ability to direct resources on all obligations of your contract.

- **Financial Service Director**

Tom Rauenbuehler leads and directs a team of Financial Consultants responsible for the financial administration, reporting and data analytics for National Accounts customers. Tom works closely with the Client Services Directors to ensure timely and accurate internal and customer financial accounting.

- **Financial Consultant**

Jaspreet Marwaha is responsible for overall billing, banking, annual accounting, customer reporting and analysis. The Financial Consultant partners with your Client Services Consultant on overall deliverables and service.

- **Absence & Leave Consultant**

Your Absence and Leave Consultant (ALC) serves as an adjunct to your Client Services Consultant. Our ALC's are professionals with extensive experience in disability management. These individuals are selected based on their depth and range of experience, analytical skills and proven expertise in disability plan design and management.

We have provided three references below for each of your primary day-to-day contacts, Leah McCrady and Melanie Hammer.

Please see the following pages for your team's resumes:

**PROPRIETARY & CONFIDENTIAL**

**LEAH McCRADY**

10 S LaSalle St Ste 3350 • Chicago IL 60603 • (281) 450-0088 • lmccrady@metlife.com

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**SALES, MARKET DEVELOPMENT, LEADERSHIP, STRATEGIC PLANNING**

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Experienced in driving *strategic growth and profitability*. Highly competitive, passionate, persuasive and articulate. Able to achieve results others believed to be impossible. *Experienced in partnership building, sales negotiations, presentations, and team management.*

- Adaptable and able to quickly and easily grasp new concepts and methods
- Self-motivated, team builder; ability to thrive in both independent and collaborative environments
- Exceptional written and oral communication skills
- Highly analytical; ability to drive focus towards goals while managing detail oriented tasks
- Ability to differentiate and gain clients in extremely cost conscious environments
- Strength in building lasting partnerships through sincerity, integrity, and gaining trust

**CORE COMPETENCIES**

- Growing Sales Territories
  - Sales and Finalist Presentations
  - Prospecting/Client Cultivation
  - Strategic Planning
  - Motivational Leadership
  - Sales Negotiations
- 

**PROFESSIONAL EXPERIENCE**

**METLIFE, Midwest Customer Unit**  
**March 2019**

**Nov 2014 -**

*Account Executive, National Accounts*

- Responsible for managing a block of large account customer relationships and driving value through the MetLife relationship
- Engaged in learning about the customer's operations and how it effects benefits strategies; provide consultative recommendations based on benchmarking, peer group, and industry trends
- Active participant in Women in Sales and Sales Advisory Council

**METLIFE, Southern and Western Regions**  
**2019**

**Nov 2014 -March**

*Account Executive, Public Sector*

- Exceeded sales goals and surpassed expectations- achieved minimum 150% of plan each year and qualified for Leaders 3 out of 3 years (2017 results were 254% of plan)
- Tripled production in three years
- Built relationships and managed production of public sector business of 75 Account Executives, 8 Regional Directors, 2 Senior Vice



## **PROPRIETARY & CONFIDENTIAL**

Presidents; covered a market of 15 states

- Inaugural LEAD program participant
- Developed new go to market strategy and effectively communicated the vision both internally and externally
- Successful at broker block and public sector specialty markets sales that have resulted in over \$20M in sales
- Maintained strong in market presence and strengthened partnerships with key brokers
- Experienced in working with Underwriting, Product, and other areas of the business to remove barriers to selling
- Represented MetLife at industry conferences and presented EBTS
- Demonstrated leading by influence by rallying the organization to pursue top prospects

### **STANDARD INSURANCE COMPANY, Ft. Lauderdale, FL      Jan2011 –Oct 2014** ***Employee Benefits Specialist***

- Attained 200% of 2014 Premium Sales Goal to date with expectations to win Grand Slam Award.
- Achieved Grand Slam Award for exceeding all sales quotas in 2013, including 110% Premium Amount, Case Count, Guaranteed Standard Issue Sales, Retirement Plan referrals, and Dental sales.
- Individual sales production contributed to the Florida Sales Office winning runner up for Large Office of the Year in 2011, 2012, and 2013.
- Rebuilt sales territory from the ground up, conceptualizing and realizing a 3 year strategic plan to increase market share despite a fiercely competitive environment in a down economy.
- Closed 50% of personal production in public sector market, including large municipalities and public safety groups.
- Cultivated strong broker relationships in the highly saturated South Florida market consisting of Martin, Palm Beach, Broward, Miami Dade, and Monroe Counties.
- Revitalized sales market and increased quote activity and sales of Group Life and AD&D, Short Term Disability, Long Term Disability, Dental and Vision Products.
- Quickly promoted and assigned larger market to senior territory after one year of employment.
- Managed all sales activity from regional accounts to large case national account market.
- Consistently ranked in top quartile of all sales performers amongst peer group nationwide.
- Implemented innovative new services to large case customers and key accounts.
- Delivered effective sales and finalist presentations to large private and public sector prospects.

**PROPRIETARY & CONFIDENTIAL**

**EDUCATION**

Bachelor of Arts, Double Major in Political Science  
and Theatre Arts Palm Beach Atlantic University, May  
2006 (Student Body President) College Leadership  
Florida, Class XI

**HOBBIES/INTERESTS**

Athletics- running, pilates, water sports; Photography, Travel,  
Reading- Behavioral Economics and Psychology, mentoring  
young women through industry programs

**REFERENCES**

<b>CC Industries, Inc.</b> Chris Lawrence, Manager of Health Benefits	<b>JLL</b> Catherine Sheedy, CEBS, PHR, Director, Americas Benefits	<b>Navistar, Inc.</b> Brian Delphey, Benefit Analyst Manager
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**PROPRIETARY & CONFIDENTIAL**



***Kendra Walter***

*Client Services Director*

*National Accounts, Midwest Customer Unit*

*177 South Commons Drive*

*Aurora, IL 60504*

*Phone: 630-820-7379*

*Cell: 630-926-3279*

*Fax: 908-552-2314*

[\*kwalter@metlife.com\*](mailto:kwalter@metlife.com)

As a Client Services Director, Kendra directs the team of consultants who provide specialized administrative and financial services to support the benefit programs for National Accounts customers. Kendra is accountable for:

- Meeting or exceeding customer service expectations
- Providing strategic guidance to her team
- Managing and developing team members
- Timely and accurate completion of implementation projects
- Acting as an escalation agent
- Driving process improvements
- Delivery of customer financial accounting and plan analytics

Kendra joined MetLife in 2003 as an Account Specialist. She has worked in the group insurance industry since 2003.

Kendra holds a bachelor's degree from the University of Illinois. Kendra has also completed Levels 1 and 2 of Project Management training and holds a Leadership Essentials certification.

Outside of MetLife, Kendra enjoys spending time with her son, Jack, who attends the University of Alabama. She also enjoys watching college basketball (Go Illini!), reading and spending time with her family, friends and 2 dogs.

**PROPRIETARY & CONFIDENTIAL**



**Melanie Hammer**

Client Service Consultant II  
Midwest Customer Unit – National Accounts  
177 S Commons Drive  
Aurora, IL 60504

T: 630-978-6091

E: melanie.hammer@metlife.com

As a Client Services Consultant, Melanie is responsible for providing day-to-day administrative support to her National Accounts customers. Her main focus includes working closely with Account Executives, Client Service Directors and technical staff to provide superior service to her customers.

Melanie's responsibilities include:

- Accountable for the end-to-end service experience;
- Facilitates the implementation process;
- Consults on plan and product offerings and renewal planning;
- Participates and assists in coordinating benefit fairs and enrollment meetings;
- Client reporting;
- Single point of escalation and responding to administrative inquiries.

In addition, she acts as a liaison between benefit managers and the MetLife claim offices on benefit interpretation, eligibility verification and escalated claim issues. Melanie is also green level certified through the National Accounts Project Management Certification Program.

Melanie has a Bachelor of Science in Business Degree with a Certificate in Human Resources Management from University of Phoenix. Prior to her current role, Melanie worked in the Customer Service industry since 2009 at major corporations such as AT&T, where she developed an expertise in problem solving and delivering first-class customer satisfaction. Melanie is detail oriented and always willing to go above and beyond for her customers.

Melanie joined MetLife in 2018 as a Client Service Consultant. She worked with aligned sales representatives and operational partners to ensure execution on exceeding service standards and expectations.

**PROPRIETARY & CONFIDENTIAL**

**Jaspreet K Marwaha**

(630) 962-0339

[jmarwaha81@gmail.com](mailto:jmarwaha81@gmail.com) | [LinkedIn: Jaspreet Marwaha](#)

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Impactful finance partner able to drive revenue and cost savings through financial planning, analysis, and modeling. Strength in bringing financial clarity, collaborating cross-functionally, and promoting action on critical business issues.

**STRONG COMMUNICATION & INTERPERSONAL SKILLS**  
**BUSINESS ANALYSIS**  
**FINANCIAL MODELING**

**FLEXIBLE, SELF-STARTER**  
**STRATEGIC THINKER**  
**PROBLEM SOLVER**

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**MetLife, Inc. | Aurora, IL**

**Sept 2024 –Present**

METLIFE, INC. IS A LEADING GLOBAL PROVIDER OF INSURANCE, ANNUITIES, EMPLOYEE BENEFIT PROGRAMS, AND ASSET MANAGEMENT TO HELP INDIVIDUAL AND INSTITUTIONAL CUSTOMERS BUILD A MORE CONFIDENT FUTURE.

**FINANCIAL CONSULTANT II**

- Overall accountability for the financial support of multiple complex National Accounts clients: Responsible for the development and completion of customer financial reports, including identifying reporting needs, data and trend analysis and effectively communicates results to meet client needs
- Prepares year-end financial accounting and ERISA reporting for clients; validates monthly revenue projections and responsible for data integrity
- Responsible for monitoring the key financial parameters of internal management reporting and capable of proactively identifying discrepancies, trends, and results that would impact Customer Unit financial objectives
- Responsible for client billing, reconciliation, and partnering with internal and external contacts to ensure billing is entered accurately and timely.
- Participates in client meetings, in person or via conference call, and prepares materials as needed, participates in client account audits and actively engages in strategic planning process.
- Strong focus on identifying efficiency gains with customer and/or internal processes.

**Oncourse Home Solutions | Naperville, IL**

**July 2023 –Jan 2024**

ONCOURSE HOME SOLUTIONS IS THE LARGEST AND MOST-VALUED TRUSTED PROVIDER OF AFFORDABLE AND RELIABLE HOME WARRANTY SOLUTIONS.

**SR. FINANCIAL ANALYST, COMMERCIAL (SG&A)**

- Commercial finance contact for all functional depts, thinking outside the box to help solve business problems and find avenues to drive business growth and cost savings.
- A leader helping drive positive business outcomes by analyzing and evaluating business decisions and direction.
- Built and maintained the core financial model(s) to accurately forecast and analyze the business by using deep understanding of finance principles and knowledge of all functional areas.
- Worked closely with business counterparts to continuously improve reporting infrastructure.
- Assisted in the preparation of materials for the executive weekly & monthly business reviews and quarterly board meetings.



- Worked closely with the FP&A team through the budgeting process to find cost saving and revenue growth opportunities, as well as calling out risks and opportunities that may affect the forecast.

**Core-Mark (Eby Brown) | Naperville, IL**

**Sept 2022 –July 2023**

CORE-MARK IS THE LARGEST AND MOST-VALUED MARKETER OF FRESH AND BROAD-LINE SUPPLY SOLUTIONS TO THE CONVENIENCE RETAIL INDUSTRY

***SR. FINANCIAL ANALYST, FP&A***

- Prepared and analyzed operational & performance metrics, financial reports, distribution center reporting packages, including P&L schedules and graphs, detailed gross profit and operating expense schedules and variance analyses.
- Supported the preparation and consolidation of the annual budget and other financial forecasts.
- Supported preparation of various ad-hoc analyses schedules, as needed.
- Communicated with members in the corporate finance department, various members of individual distribution centers, and regional management throughout the year.

**TRACKUNIT INC | OAKBROOK, IL**

**March 2019 – May 2022**

THE LEADING SAAS-BASED IoT SOLUTION AND MACHINE INSIGHTS PROVIDER TO THE GLOBAL CONSTRUCTION EQUIPMENT INDUSTRY.

***FINANCIAL ANALYST***

- Supported monthly, quarterly, and year-end financial close, including general account analysis and reconciliations, including bank statements, fixed assets, accruals, and prepaid expenses.
- Processed customer billing monthly while ensuring accuracy and timeliness.
- Worked collaboratively with sales to resolve A/R issues; established effective working relationships with customers.
- Responsible for multi-State (approximately 20 states) tax filings and sales tax exposure
- Prepared State and local tax returns; generate 1099 forms to send to customers.
- Adjusted entries and accruals as well as assist with accrual and payroll journal entries as necessary for proper posting.
- Assisted with the annual budget & quarterly forecasting process.
- Audited monthly reports to ensure everything ties to the general ledger while balancing other responsibilities.

- Created trend analysis reports, looking at historical sales pipeline and examining the company's P&L statement to determine the health of the business.

**CVM SOLUTIONS | WESTCHESTER, IL**

**Nov 2014-March 2018**

PREMIER PROVIDER OF GLOBAL SUPPLIER DATA AND SUPPLIER DIVERSITY SOLUTIONS.

**FINANCIAL ANALYST (2016 – 2018)**

- Prepared, reviewed, and distributed monthly financial reports with reliable conclusions that management can use to implement more effective operational strategies.
- Tracked expenses and revenues vs. budget and reforecast and analyzed fluctuations as well as analyzed trends in manufacturing, sales, finance, general business conditions, and other related areas.
- Prepared monthly/quarterly operating reports; Invoice clients per contractual agreement; Processed payroll for internal employees.
- Developed, maintained, and distributed as-hoc reports and financial models as needed; Provided analytical support for forward-looking financial and business-related projects.
- Perform ad hoc analysis and reporting.

**CLIENT DATA MANAGER (2014 – 2016)**

- Worked with client's raw diverse supplier spend data and managed the process of data scrubbing and validation.
- Presented the data to the client, walking them through every nuance and helping the client understand not only their total diverse spend, but also trends in the data that told a story about why the spend number has risen, fallen, or remained neutral; Described ways the client may be able to bolster total spend.
- Managed a portfolio of CVM clients for overall client satisfaction with CVM Data Enrichment process by setting expectations for project timelines and deliverables.
- Communicated effectively with clients to identify needs to evaluate alternative business solutions.
- Facilitated quarterly client business reviews for Enrichment and Data results.
- Introduced new CVM products to clients including arranging and possible presentation of product demos.
- Performed root cause analysis for any issues or problems that occur on client data files or spend results.
- Provided explanation of QA process and utilization of supplier profile to clients. Provided metrics to validate accuracy and compliance.

**EDUCATION**

Master of Business Administration – Finance | Strayer University







**SKILLS/SYSTEMS**

- Salesforce; Spira
- Power BI
- MS Office Suite 365, Lotus Notes
- People Soft 8.9, Jira,
- SAP 6.0
- Workday (Office Connect/Analysis/Excel4Apps Add-ins in Excel for Analysis)

References Upon Request

## TOM RAUENBUEHLER

### Summary

Experienced National Accounts Financial Director with successful client and leadership skills. Action-oriented with a strong ability to communicate effectively with associates, internal partners, executives, and business audiences.

### Skills

- Team oriented results
- Organizational leadership
- Partnership development
- Process improvement
- Problem-solving
- Financial arrangement, contract and product subject matter expert

### Experience

#### ***National Accounts Financial Director***

MetLife – Aurora, IL  
Jan 2016 to Current

- Give strategic guidance and leadership to a team of 10 Financial Consultants who deliver customer centric solutions to over 200 customers with over \$1.2 billion in revenue.
- Ensure timely, accurate, and consultative delivery of financial results to these customers.
- Review fully insured, participating, self-insured financial dividends, and schedules for accuracy and ensure timely delivery to customers.
- Provide oversight of monthly revenue projections, billing, D&U, expense revenue, stewardship presentations, and performance guarantee results.
- Create a culture where associates feel empowered and motivated which resulted in 100% satisfied or very satisfied account management survey scores for the past 3 years.
- Engage in coaching, development and feedback for 11 associates that have resulted in 3 promotions on my team over the past 4 years and no voluntary turnover.
- Actively participate in all group core and VB benefit responses to RFPs, finalist meeting preparation, and implementations.
- Led and participate in national account project teams which have led to process improvements.

#### ***National Accounts Senior Client Services Consultant***

MetLife – Schaumburg, IL  
Nov 2008 to Dec 2015

- Single point of contact for two complex fortune 200 customers with over \$40 million in revenue.
- Provided consultative administrative and financial analysis on plan design and administrative processes

which resulted in reducing employer costs and increased employee satisfaction.

- Developed and presented annual and quarterly administration and financial results to these customers.
- Created strong partnerships with account executives which led to 100% retention of these customers and 100% very satisfied rating.
- Established internal network of relationships within other product and process units for quick resolution of customer escalations.
- Subject matter expert to internal partners on contract administration, life, dental and disability products, financial analysis and financial arrangements.

***National Accounts Client Services Manager***

MetLife — Schaumburg, IL

Jan 2006 to Oct 2008

- Led and managed a team of 3 Client Services Consultants to ensure high customer satisfaction for 6 customers with over \$200 million in revenue.
- Provided motivation, coaching and development of the team which resulted in 100% persistency and satisfied or very satisfied account management survey scores.
- Participated in the campus recruiting team which resulted in my hiring of 2 associates whom completed MetLife's Leadership Development Program.
- National accounts liaison for the team responsible for the creation of escheatment for Self-Insured customers.
- Assisted MetLife counsel with negotiating a complex administrative services agreement and life insurance master services agreement for two demanding customers.

***National Accounts Client Services Consultant***

MetLife — Schaumburg, IL

Apr 2002 to Dec 2005

- Single point of contact for high-level, escalated claim, contract and eligibility issues for 3 customers with over \$50 million in revenue.
- 100% satisfied or very satisfied results on all account management surveys.
- Successfully project managed the implementation of all new products, renewals and plan changes.
- Coordinated the negotiation and execution of legal/contractual agreements.
- Actively participated in annual stewardship and finalist presentations.

**Education**

Bachelor of Science, Business Administration, Emphasis in Management

Truman State University – Kirksville, MO

## j. Subcontractors

If the bidder intends to subcontract any part of its performance hereunder, the bidder should provide:

- i. name, address, and telephone number of the subcontractor(s),
- ii. specific tasks for each subcontractor(s),
- iii. percentage of performance hours intended for each subcontract; and
- iv. total percentage of subcontractor(s) performance hours.

The subcontractors we may use for Disability are:

- i. Name: **Allied Universal**  
Address: 1200 Landmark Ctr., Suite 1300, Omaha, NE 68102  
Telephone Number: Your Client Services Consultant, Melanie Hammer, is your single point of contact for all subcontractor-related questions. Melanie can be reached at 630-978-6091.
- ii. Allied Universal provides LTD field visits when needed.
- iii. As needed. We do not place limitations on the percentage of performance hours, rather, the subcontractor is engaged as needed to perform the supported tasks.
- iv. As needed. We do not place limitations on the percentage of performance hours, rather, the subcontractor is engaged as needed to perform the supported tasks.
  
- i. Name: **Allsup, Inc. and Integrated Benefits, Inc.**  
Address: Clovis, MN  
Telephone Number: Your Client Services Consultant, Melanie Hammer, is your single point of contact for all subcontractor-related questions. Melanie can be reached at 630-978-6091.
- ii. At the appropriate time in the Social Security application process, we will recommend the employee to a qualified attorney specializing in disability case law. These attorney and non-attorney groups specialize in disability case law. A claimant is not obligated to use the recommended attorney and may select their own attorney to assist them with an appeal.
- iii. As needed. We do not place limitations on the percentage of performance hours, rather, the subcontractor is engaged as needed to perform the supported tasks.
- iv. As needed. We do not place limitations on the percentage of performance hours, rather, the subcontractor is engaged as needed to perform the supported tasks.
  
- i. Name: **Brown & Joseph, Ltd.**  
Address: One Pierce Place, Suite 1225W, Itasca, IL 60143  
Telephone Number: Your Client Services Consultant, Melanie Hammer, is your single point of contact for all subcontractor-related questions. Melanie can be reached at 630-978-6091.

- ii. Brown & Joseph, Ltd. provides overpayment recovery and collection services when required for Disability coverages.
  - iii. As needed. We do not place limitations on the percentage of performance hours, rather, the subcontractor is engaged as needed to perform the supported tasks.
  - iv. As needed. We do not place limitations on the percentage of performance hours, rather, the subcontractor is engaged as needed to perform the supported tasks.
- i. **Name: Conduent**  
Address: 2325 Leestown Rd., Lexington, KY 40511  
Telephone Number: Your Client Services Consultant, Melanie Hammer, is your single point of contact for all subcontractor-related questions. Melanie can be reached at 630-978-6091.
  - ii. Conduent, formerly Xerox Commercial Solutions, provides the following services in support of our Statement of Health functions:
    - Receipt of Statement of Health applications including mailroom and document management (receives mail, indexes and images documents);
    - Workflow management where imaged Statement of Health applications pass through sophisticated workflow queue logic in the Conduent SIR system to help organize the work processes for the MetLife Statement of Health team.

Mail processing services performed by Conduent include receipt of mail, indexing, imaging of documents and claimant eligibility data entry.
  - iii. As needed. We do not place limitations on the percentage of performance hours, rather, the subcontractor is engaged as needed to perform the supported tasks.
  - iv. As needed. We do not place limitations on the percentage of performance hours, rather, the subcontractor is engaged as needed to perform the supported tasks.
- i. **Name: Eriksen Translations, Inc., LanguageLine Solutions, Inc. and Foundever**  
Address: 600 Brickell Ave, Miami, FL 33131  
Telephone Number: Your Client Services Consultant, Melanie Hammer, is your single point of contact for all subcontractor-related questions. Melanie can be reached at 630-978-6091.
  - ii. Eriksen Translations, LanguageLine Solutions and Foundever have been selected based on their translation expertise to assist with document translation services for Life and Disability coverages.
  - iii. As needed. We do not place limitations on the percentage of performance hours, rather, the subcontractor is engaged as needed to perform the supported tasks.
  - iv. As needed. We do not place limitations on the percentage of performance hours, rather, the subcontractor is engaged as needed to perform the supported tasks.
- i. **Name: Genex Services**  
Address: 440 Swedesford Rd, STE 100, Wayne, PA 19087

Telephone Number: Your Client Services Consultant, Melanie Hammer, is your single point of contact for all subcontractor-related questions. Melanie can be reached at 630-978-6091.

- ii. Genex conducts vocational assessments, clarifies the claimant's employability and performs the initial assessment for a rehabilitation referral. This vendor was selected on the basis of their credentialed staff, type of services they offer, their geographic location and fees.
- iii. As needed. We do not place limitations on the percentage of performance hours, rather, the subcontractor is engaged as needed to perform the supported tasks.
- iv. As needed. We do not place limitations on the percentage of performance hours, rather, the subcontractor is engaged as needed to perform the supported tasks.

i. Name: **MetLife Services and Solutions, LLC**

Address: 200 Park Ave., New York, NY 10166

Telephone Number: Your Client Services Consultant, Melanie Hammer, is your single point of contact for all subcontractor-related questions. Melanie can be reached at 630-978-6091.

- ii. Certain services in connection with the proposed coverage will be performed by this affiliated company. MSS processes, keys data and categorizes claim requests. These service arrangements in no way alter Metropolitan Life Insurance Company's, or its applicable affiliate's, obligation to you. Your coverage will be administered in accordance with Metropolitan Life Insurance Company's or its applicable affiliate's policies and procedures.
- iii. As needed. We do not place limitations on the percentage of performance hours, rather, the subcontractor is engaged as needed to perform the supported tasks.
- iv. As needed. We do not place limitations on the percentage of performance hours, rather, the subcontractor is engaged as needed to perform the supported tasks.

i. Name: **Optum**

Address: 9390 Bunsen Parkway, Louisville, KY 40220

Telephone Number: Your Client Services Consultant, Melanie Hammer, is your single point of contact for all subcontractor-related questions. Melanie can be reached at 630-978-6091.

- ii. Optum provides overpayment recovery and collection services when required for Disability coverages.
- iii. As needed. We do not place limitations on the percentage of performance hours, rather, the subcontractor is engaged as needed to perform the supported tasks.
- iv. As needed. We do not place limitations on the percentage of performance hours, rather, the subcontractor is engaged as needed to perform the supported tasks.

# Technical Response

## a. Understanding of the Project Requirements

We understand the State of Nebraska's Project Requirements and are confident with our expertise to support that understanding.

We have been providing Group Disability benefits since 1957. During this time, we have gained a tremendous amount of experience and knowledge in servicing our public sector customers, making us uniquely qualified to serve public entity organizations.

Our experience within the public sector includes a broad range of customers such as educational institutions, employee trust funds, governments and government agencies. We have a team dedicated to working with cities, counties, states, unions and other public entities of all sizes, made up of industry experts experienced in understanding the unique requirements of employers in the public sector.

We provide group benefit programs to over two thirds of the state governments across the United States, representing nearly four million active and retired state employees. Our focus and commitment to state employee benefit plans remains unparalleled in the insurance industry.

We believe in the importance of collaborating closely with our public entity clients to create benefit and service options that meet the changing needs of these organizations.

Please see **Attachment A** for our detailed responses regarding how we will meet the proposed project requirements.

## b. Proposed Development Approach

Unexpected things happen in life. When they do, we're ready to help by showing compassion and respect while providing timely and accurate claims processing for your employees. This way, they can concentrate on what's important and get back on track. Our workforce management solutions can minimize loss of productivity and help your employees return to work as soon as medically appropriate.

Here are some other reasons to pick MetLife for Disability coverage:

- Our workforce management solutions **reduce many of the administrative issues** that require your attention, leaving you free to focus on your business;
- Our **experienced, responsive resources** provide timely and accurate benefit claims;
- Our **expert resources** manage claims on a case-by-case basis. We reach out to each claimant based on his or her situation rather than at set intervals;
- Our processes improve the accuracy of claim durations. This results in **increased productivity in the workplace**. Our processes, combined with our return-to-work expertise, help employees return to work at the clinically appropriate time – and at a faster rate than the industry average.

At MetLife, we are committed to doing things right and making your job easier.

### MetLife's Personal Finance App

We also offer a personal financial wellness app that helps employees make meaningful progress with their finances. The app is offered at no additional cost to you or your employees. With no eligibility files, no data transfer or billing to manage, you can launch the personal finance app instantly. We provide turnkey communication tools so that you can drive interest and engagement with your employees. Ask your MetLife Account Executive for additional details.

### c. Technical Requirements

Please see **Attachment A** for our detailed responses regarding how we will meet the proposed technical requirements.

### d. Detailed Project Work Plan

Our implementation process follows a consistent and structured approach that promotes positive outcomes.

We use a Microsoft Project Plan to monitor all implementation deliverables. The detailed project plan tracks due dates and accountability of the owners of each item. Once a plan is devised, we will meet with you to review any issues, status reports and items that require customer signoff. Frequent collective review of the project plan allows us to react promptly if a target milestone is in jeopardy. We also monitor all milestones in a critical milestones document which will be provided to you on a weekly basis.

Our implementation processes and tools encompass the following project management methods:

- Detailed implementation plans and timelines;
- Stakeholder accountability;
- Issue tracking and resolution;
- Assessment of risks;
- Regular and consistent communication;
- A defined escalation process.

A comprehensive Implementation Guide is created for each customer to provide an overview of the end-to-end process. The guide is presented at the initial implementation meeting and includes an implementation schedule that outlines key tasks, responsible parties and target due dates. The presentation of the guide and discussion of key tasks is crucial in setting expectations. Subsequent follow-up meetings are scheduled to ensure that all parties remain on target with their key deliverables.



During the process, several quality assurance checks are conducted to ensure we have accurately finalized the plan design. These checks are done during the system set-up, contract production and system finalization. This ensures the accuracy of the information being loaded against the final system production information and contractual documents. These measures and our partnership allow us to successfully implement your plans by your effective date.

Throughout the implementation process, we will ask for your feedback to make sure we are meeting or exceeding your established goals and expectations. Additionally, customers are surveyed about their case installation experience. The results of these surveys are used to evaluate the implementation process and recognize opportunities for improvement.

Please see the Implementation Timeline provided in Exhibit 5 for our detailed project work plan.

### **e. Deliverables and Due Dates**

Please see the Implementation Timeline provided in Exhibit 5, which also includes details regarding deliverables and due dates.

**COST PROPOSAL**  
**RFP 120084 O5**  
**STD AND LTD INSURANCE PLAN OPTIONS**  
**PROPRIETARY & CONFIDENTIAL**

Bidder Name: MetLife

Bidders shall fill in proposed premium amounts for each column provided below.

Prices submitted on the cost sheet, once accepted by the State, shall remain fixed for the first two (2) years of the contract. Any request for a price increase subsequent to the first two (2) years of the contract shall not exceed four percent (4 %) of the price proposed for the period. Increases shall not be cumulative and will only apply to that period of the contract. The request for a price increase must be submitted in writing to the State Purchasing Bureau a minimum of 120 days prior to the end of the current contract period. Documentation may be required by the State to support the price increase.

Each monthly premium amount proposed should be evenly divisible by "2" with no rounding to accommodate two even deductions per month through our payroll system. Any premium amount not divisible by "2" will be reduced to the nearest lower amount that is divisible by "2" for scoring. By submitting this proposal, Bidder accepts this lower amount if a contract is awarded.

This is the rate an employee will pay for 60% of basic gross monthly pay.

<b>SHORT TERM DISABILITY INSURANCE, 1ST DAY ACCIDENT, 8TH DAY ILLNESS</b>	Initial Period Year One	Initial Period Year Two	Optional Renewal One	Optional Renewal Two	Optional Renewal Three
<b>Rate per \$10 of Weekly Benefit</b>					
Under 25	\$0.28	\$0.28	\$0.28	\$0.29	\$0.29
25-29	\$0.26	\$0.26	\$0.26	\$0.27	\$0.27
30-34	\$0.28	\$0.28	\$0.28	\$0.29	\$0.29
35-39	\$0.22	\$0.22	\$0.22	\$0.23	\$0.23
40-44	\$0.24	\$0.24	\$0.24	\$0.25	\$0.25
45-49	\$0.24	\$0.24	\$0.24	\$0.25	\$0.25
50-54	\$0.28	\$0.28	\$0.28	\$0.29	\$0.29
55-59	\$0.34	\$0.34	\$0.34	\$0.35	\$0.35
60-64	\$0.42	\$0.42	\$0.42	\$0.44	\$0.44
65-69	\$0.48	\$0.48	\$0.48	\$0.50	\$0.50
70 & Over	\$0.48	\$0.48	\$0.48	\$0.50	\$0.50

<b>LONG TERM DISABILITY INSURANCE, 6 MONTH ELIMINATION PERIOD</b>	Initial Period Year One	Initial Period Year Two	Optional Renewal One	Optional Renewal Two	Optional Renewal Three
<b>Rate per \$100 of Monthly Covered Payroll</b>					
Under 25	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04
25-29	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06
30-34	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
35-39	\$0.12	\$0.12	\$0.12	\$0.12	\$0.12
40-44	\$0.14	\$0.14	\$0.14	\$0.15	\$0.15
45-49	\$0.20	\$0.20	\$0.20	\$0.21	\$0.21
50-54	\$0.30	\$0.30	\$0.30	\$0.31	\$0.31
55-59	\$0.34	\$0.34	\$0.34	\$0.35	\$0.35
60-64	\$0.36	\$0.36	\$0.36	\$0.37	\$0.37
65-69	\$0.38	\$0.38	\$0.38	\$0.40	\$0.40
70 & Over	\$0.40	\$0.40	\$0.40	\$0.42	\$0.42

Please note that if MetLife's Voluntary Benefit package is bundled with the STD and LTD,



# State of Nebraska: Disability Proposal Assumptions and Caveats

## **All Products:**

Please see the Disability Plan Deviations document for detail regarding any differences between the current plan documents and MetLife's filed policy and certificate.

Rates assume there will be no significant plan design or administrative changes during the duration of the contract other than the changes specified in the Request for Proposal, if any.

The quoted rates are based on the plan design, census data, and experience as provided in the RFP and addenda. Any change in this information will require a review of the rates.

Quote is based on a fully insured, non-participating financial agreement.

Quote assumes MetLife will be the only carrier/administrator of all plans offered.

In the event the covered population or covered volume changes by 15% or more, we reserve the right to review the financial impact of the change and, if necessary, make rate adjustments.

Rates assume that all Non-Contributory coverages will have 100% participation. Contributory and Voluntary coverages should maintain participation levels within 10% of current participation. MetLife's minimum participation is 15% for voluntary coverages. MetLife reserves the right to re-rate the group if enrolled participation and volumes differ by more than 10% of current levels.

MetLife will allow one open enrollment effective 7/1/2025 for the Voluntary STD and LTD programs. This means that the Evidence of Insurability requirement will be waived for late enrollees who choose to enroll in either the STD or LTD coverage with an effective date of July 1, 2025. The 3/12 Pre-Existing Condition provision will still apply to those late enrollees. After the open enrollment, all late enrollees will be required to submit Evidence of Insurability. MetLife assumes we will partner with the State of Nebraska to coordinate enrollment conditions and communications for this enrollment opportunity.

Rates assume any claims incurred prior to the effective date are the liability of the incumbent administrator/carrier.

Rates assume no commissions or fees.

Any employee who is not actively at work prior to the effective date of this policy, including furloughed employees, will not be covered until such time that they return to full-time status and will be subject to pre-ex under the MetLife contract, regardless of original date of hire. Continuity of Coverage rules will apply.

Our LTD quote assumes that all eligible employees are required to participate in a public pension plan such as NPERs that provides disability benefits which are an offset to the group LTD plan.

Our Disability quote assumes that there will not be any change to the current public pension plan, through benefit changes, eligibility or other administrative changes, which may reduce the value of the disability benefit offsets applied to the group LTD plan during the rate guarantee period. Our quote also assumes that any such changes made during the experience provided within the RFP was communicated during the RFP process.

Our LTD quote assumes that all eligible employees are required to participate in Social Security which is an offset to the group LTD plan.

Our Disability quote assumes that there will not be any change to plan integration between available Sick Banks, Vacation, Salary Continuance and the group Disability plans. Both the STD and LTD plans currently require the exhaustion of sick leave before STD and/or LTD benefits are payable. Furthermore, our quote assumes that the employer will not make any administrative changes to any of these programs during the rate guarantee period.

For any taxable benefits, if requested, MetLife will remit the employer portion of FICA (Federal Insurance Contributions Act Tax – funding Social Security and Medicare) if you appoint MetLife as Agent for the remitting of the employer portion of FICA and provide us with a completed Agency Agreement form. FICA taxes are generally withheld from taxable disability benefits made within the first six complete calendar months following the last day the claimant was actively at work. The service is provided at a cost of the Employer FICA remittance plus 3% of the amount of FICA remitted and is included on your quarterly tax bill.

Our quote does not include coverage and/or administration of the statutorily required disability and/or leave benefits for any state STD or Paid Family Medical Leave program.

*MetLife 12/17/24*

# State of Nebraska

## Disability Plan Deviations Document

MetLife will match the intent of the desired language within the scope of its filed forms as approved by the Department of Insurance. To the extent that our filed forms do not adequately capture the intent, we would be willing to seek departmental approval through additional filings, provided that any procedural changes required by the new language can be adequately supported by MetLife's operating teams.

### Applicable to STD & LTD:

- **Eligible Class:** During implementation, appropriate class descriptions based on conditions pertaining to employment will be developed. These will be based on conditions pertaining to employment and will not include references to citizenship or residency.
- **Definition of Disability:** MetLife inherently combines the total/partial definition of disability.
- **Offsets/Estimated Offsets:** The current plan estimates potential offsets more widely than we do. MetLife estimates benefits applied for under the Federal Social Security Act (plans 26 weeks and greater), a government compulsory benefit plan or program or a federal, state, or other public employee retirement or disability plan or program, including a STRS, PERS or FERS Retirement System plan or program. A filing would be required to estimate any other income offsets.
- **Return to Work (RTW)/Rehabilitation:**
  - We have included our full suite of RTW/Rehabilitation incentives which meet or exceed your current provisions.
  - MetLife's family care incentive will provide \$500 for each family member for 12 months with no aggregate dollar or limit on the number of family members.
  - MetLife does not have specific language to match the Employee Outreach Services in the current plan, however our Return to Health department does have resources that would be able to assist in Return to Work and closely match intent.
- **Survivor Benefit:** As a plan enhancement, we will not have the consecutive day language in our cert which would void any benefit if an employee were to attempt to RTW.
- **Date Benefits End:**
  - MetLife standard wording will be used to clearly state when benefits end.
  - MetLife does not alter our actively at work provision; our provision will not include a Leave of Absence nuance.
  - The plan also states benefits end if the employee can RTW on a part-time basis but chooses not to. We will match intent with the following language, "the date You refuse to work on either a Part-Time or Full-Time basis, if it is determined by a Physician that You are able to work on such Part-Time or Full-Time basis; or"
- **Pre-Existing Condition Provision:** MetLife does not include "prudent person" language in the Pre-Existing Condition provision.

Please note: Except when required otherwise by law or regulation, the information provided herein should be considered proprietary and confidential.

**Applicable to STD:**

- **Elimination Period and Sick Leave:** MetLife will match the intent of the plan requirement to exhaust sick leave before benefits are payable.
- **Temporary Recovery:** MetLife will allow up to 60 workdays for a plan with a maximum benefit duration of 180 days. These days will count toward satisfaction of the EP.

**Applicable to LTD:**

- **Limited Benefit Provision:** MetLife does not limit schizoaffective disorder, schizophrenia, or disabilities resulting from organic brain disorders.
- **Definition of Disability:** MetLife does not differ our earnings test should the employee be working or not working.
- **Recovery During the Elimination Period (EP):** MetLife allows up to 60 workdays for 180-day duration for recovery and as a plan enhancement these days will count toward satisfaction of the EP.
- **Transplant Benefit:**
  - MetLife is not filed to provide the transplant benefit for LTD coverage, only STD. This would require a single case filing.
  - This is not recommended as we would typically see this predominantly in STD.

Please note: Except when required otherwise by law or regulation, the information provided herein should be considered proprietary and confidential.



## U.S. Business Intermediary and Producer Compensation Notice

Metropolitan Life Insurance Company (herein called “MetLife”), enters into arrangements concerning the sale, servicing and/or renewal of MetLife group insurance and certain other group-related insurance and non-insurance products (“Products”) with brokers, agents, consultants, third party administrators, general agents, associations, and other parties that may participate in the sale, servicing and/or renewal of such products (*each an “Intermediary”*). MetLife may pay your Intermediary compensation, which may include, among other things, base compensation, supplemental compensation and/or a service fee. MetLife may pay compensation for the sale, servicing and/or renewal of products, or remit compensation to an Intermediary on your behalf. Your Intermediary may also be owned by, controlled by or affiliated with another person or party, which may also be an Intermediary and who may also perform marketing and/or administration services in connection with your products and be paid compensation by MetLife.

Base compensation, which may vary from case to case and may change if you renew your products with MetLife, may be payable to your Intermediary as a percentage of premium or a fixed dollar amount. MetLife may also pay your Intermediary compensation that is based upon your Intermediary placing and/or retaining a certain volume of business (*number of products sold or dollar value of premium*) with MetLife. In addition, supplemental compensation may be payable to your Intermediary for eligible Products. Under MetLife’s current supplemental compensation plan (SCP), the amount payable as supplemental compensation may range from 0% to 9% of premium or fees. The supplemental compensation percentage may be based on one or more of: (1) the number of products sold through your Intermediary during a one-year period, or other defined period; (2) the amount of eligible new or renewal premium or fees with respect to products sold through your Intermediary during a one-year period; (3) the persistency percentage of products inforce through your Intermediary during a one-year period; (4) the block growth of the products inforce through your Intermediary during a one-year period; (5) eligible new or renewal premium or fees growth during a one-year period; or (6) a flat amount, fixed percentage or sliding scale of the premium or fees for products as set by MetLife. The supplemental compensation percentage will be set by MetLife based on the achievement of the outlined qualification criteria and it may not be changed until the following SCP plan year. As such, the supplemental compensation percentage may vary from year to year, but will not exceed 9% under the current supplemental compensation plan.

The cost of supplemental compensation is not directly charged to the price of our products except as an allocation of overhead expense, which is applied to all eligible group insurance products, whether or not supplemental compensation is paid in relation to a particular sale or renewal. As a result, your rates will not differ by whether or not your Intermediary receives supplemental compensation. If your Intermediary collects the premium or fees from you in relation to your products, your Intermediary may earn a return on such amounts. Additionally, MetLife may have a variety of other relationships with your Intermediary or its affiliates, or with other parties, that involve the payment of compensation and benefits that may or may not be related to your relationship with MetLife (*e.g., insurance and employee benefits exchanges, enrollment firms and platforms, sales contests, consulting agreements, participation in an insurer panel, or reinsurance arrangements*).

More information about the eligibility criteria, limitations, payment calculations and other terms and conditions under MetLife’s base compensation and supplemental compensation plans can be found on MetLife’s Website at [www.metlife.com/business-and-brokers/broker-resources/broker-compensation](http://www.metlife.com/business-and-brokers/broker-resources/broker-compensation). Questions regarding Intermediary compensation can be directed to [ask4met@metlifeservice.com](mailto:ask4met@metlifeservice.com), or if you would like to speak to someone about Intermediary compensation, please call (800) ASK 4MET. In addition to the compensation paid to an Intermediary, MetLife may also pay compensation to your representative. Compensation paid to your representative is for participating in the sale, servicing, and/or renewal of products, and the compensation paid may vary based on a number of factors including the type of product(s) and volume of business sold. If you are the person or entity to be charged under an insurance policy or annuity contract, you may request additional information about the compensation your representative expects to receive as a result of the sale or concerning compensation for any alternative quotes presented, by contacting your representative or calling (866) 796-1800.





### **Non-U.S. Coverage**

When providing you with information concerning an eligible group insurance policy issued or proposed to your affiliate or subsidiary outside the United States by a MetLife affiliate or by other locally licensed insurers that are members of the MAXIS Global Benefits Network (MAXIS GBN), New York insurance law requires the person providing the information to be licensed as an insurance broker. In this capacity, the information provided to you will only be on behalf of such insurers and not on behalf of MetLife or any other insurer that is not a member of MAXIS GBN. Please note that while MetLife is a member of MAXIS GBN and is licensed to transact insurance business in New York, the other MAXIS GBN member insurers are not licensed or authorized to do business in New York. The group insurance policies they issue are for coverage outside the United States and are governed by the laws of the country they were issued in. These policies have not been approved by the New York Superintendent of Financial Services, are not subject to all of the laws of New York, and are not protected by the New York State Guaranty Fund.

L0824042390[exp1025][All States][DC, GU, MP, PR, VI]



Delaware American Life Insurance Company  
MetLife Health Plans, Inc.  
MetLife Legal Plans, Inc.  
MetLife Legal Plans of Florida, Inc.  
Metropolitan General Insurance Company

Metropolitan Life Insurance Company  
Metropolitan Tower Life Insurance Company  
SafeGuard Health Plans, Inc.  
SafeHealth Life Insurance Company

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## Our Privacy Notice

We know that you buy our products and services because you trust us. This notice explains how we protect your privacy and treat your personal information. It applies to current and former customers. "Personal information" as used here means anything we know about you personally.

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### SECTION 1: Plan Sponsors and Group Insurance Contract Holders

This privacy notice is for individuals who apply for or obtain our products and services under an employee benefit plan, group insurance or annuity contract, as an executive benefit, or as otherwise made available at your work or through an association to which you belong. In this notice, "you" refers to these individuals.

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### SECTION 2: Protecting Your Information

We take important steps to protect your personal information. We treat it as confidential. We tell our employees to take care in handling it. We limit access to those who need it to perform their jobs. Our outside service providers must also protect it, and use it only to meet our business needs. We also take steps to protect our systems from unauthorized access. We comply with all laws that apply to us.

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### SECTION 3: Collecting Your Information

We typically collect your name, address, age, and other relevant information. We may also collect information about any business you have with us, our affiliates, or other companies. Our affiliates include life insurers, a legal plans company and a securities broker-dealer. In the future, we may also have affiliates in other businesses.

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### SECTION 4: How We Get Your Information

We get your personal information mostly from you. We may also use outside sources to help ensure our records are correct and complete. These sources may include consumer reporting agencies, employers, other financial institutions, adult relatives, and others. These sources may give us reports or share what they know with others. We don't control the accuracy of information outside sources give us. If you want to make any changes to information we receive from others about you, you must contact those sources.

We may ask for medical information. The Authorization that you sign when you request insurance permits these sources to tell us about you. We may also, at our expense:

- Ask for a medical exam
- Ask for blood and urine tests
- Ask health care providers to give us health data, including information about alcohol or drug abuse

We may also ask a consumer reporting agency for a "consumer report" about you (or anyone else to be insured). Consumer reports may tell us about a lot of things, including information about:

- Reputation
- Driving record
- Finances
- Work and work history
- Hobbies and dangerous activities

The information may be kept by the consumer reporting agency and later given to others as permitted by law. The agency will give you a copy of the report it provides to us, if you ask the agency and can provide adequate identification. If you write to us and we have asked for a consumer report about you, we will tell you so and give you the name, address and phone number of the consumer reporting agency.

Another source of information is MIB, LLC ("MIB"). It is a not-for-profit membership organization of insurance companies which operates an information exchange on behalf of its Members. We, or our reinsurers, may make a brief report to MIB. If you apply to another MIB Member company for life or health insurance coverage, or a claim for benefits is submitted, MIB, upon request, will supply such company with the information in its file. Upon receipt of a request from you MIB will arrange disclosure of any information it may have in your file. Please contact MIB at 866-692-6901. If you question the accuracy of information in MIB's file, you may contact MIB and seek a correction in accordance with the procedures set forth in the federal Fair Credit Reporting Act. You may do so by writing to MIB LLC, 50 Braintree Hill, Suite 400, Braintree, MA 02184-8734 or go to MIB website at [www.mib.com](http://www.mib.com).

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### SECTION 5: Using Your Information

We collect your personal information to help us decide if you're eligible for our products or services. We may also need it

to verify identities to help deter fraud, money laundering, or other crimes. How we use this information depends on what products and services you have or want from us. It also depends on what laws apply to those products and services. For example, we may also use your information to:

- administer your products and services
- perform business research
- market new products to you
- comply with applicable laws
- process claims and other transactions
- confirm or correct your information
- help us run our business

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## **SECTION 6: Sharing Your Information With Others**

We may share your personal information with others with your consent, by agreement, or as permitted or required by law. We may share your personal information without your consent if permitted or required by law. For example, we may share your information with businesses hired to carry out services for us. We may also share it with our affiliated or unaffiliated business partners through joint marketing agreements. In those situations, we share your information to jointly offer you products and services or have others offer you products and services we endorse or sponsor. Before sharing your information with any affiliate or joint marketing partner for their own marketing purposes, however, we will first notify you and give you an opportunity to opt out.

Other reasons we may share your information include:

- doing what a court, law enforcement, or government agency requires us to do (for example, complying with search warrants or subpoenas)
- telling another company what we know about you if we are selling or merging any part of our business
- giving information to a governmental agency so it can decide if you are eligible for public benefits
- giving your information to someone with a legal interest in your assets (for example, a creditor with a lien on your account)
- giving your information to your health care provider
- having a peer review organization evaluate your information, if you have health coverage with us
- those listed in our “Using Your Information” section above

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## **SECTION 7: HIPAA**

We will not share your health information with any other company – even one of our affiliates – for their own marketing purposes. The Health Insurance Portability and Accountability Act (“HIPAA”) protects your information if you request or purchase dental, vision, long-term care and/or medical insurance from us. HIPAA limits our ability to use and disclose the information that we obtain as a result of your request or purchase of insurance. Information about your rights under HIPAA will be provided to you with any dental, vision, long-term care or medical coverage issued to you.

You may obtain a copy of our HIPAA Privacy Notice by visiting our website at [www.MetLife.com](http://www.MetLife.com). For additional information about your rights under HIPAA; or to have a HIPAA Privacy Notice mailed to you, contact us at [HIPAAprivacyAmericasUS@metlife.com](mailto:HIPAAprivacyAmericasUS@metlife.com), or call us at telephone number (212) 578-0299.

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## **SECTION 8: Accessing and Correcting Your Information**

You may ask us for a copy of the personal information we have about you. We will provide it as long as it is reasonably locatable and retrievable. You must make your request in writing listing the account or policy numbers with the information you want to access. For legal reasons, we may not show you privileged information relating to a claim or lawsuit, unless required by law.

If you tell us that what we know about you is incorrect, we will review it. If we agree, we will update our records. Otherwise, you may dispute our findings in writing, and we will include your statement whenever we give your disputed information to anyone outside MetLife.

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## **SECTION 9: Questions**

We want you to understand how we protect your privacy. If you have any questions or want more information about this notice, please contact us. A detailed notice shall be furnished to you upon request. When you write, include your name, address, and policy or account number.

**Send privacy questions to:** MetLife Privacy Office  
P. O. Box 489  
Warwick, RI 02887-9954  
[privacy@metlife.com](mailto:privacy@metlife.com)

We may revise this privacy notice. If we make any material changes, we will notify you as required by law. We provide this privacy notice to you on behalf of the MetLife companies listed at the top of the first page.

# Exhibit 1 - MetLife Clarifications and Deviations

## General Comments

Insurance policies (the “Group Contract”) will be issued by MetLife in accordance with state law. The Group Contract governs the terms and conditions of the insurance coverage being provided and governs in the event of any conflict with any other documents.

All affidavits, declarations, certifications and similar statements included in our response are made to the best of the knowledge and belief of the signer.

## Indemnification

With respect to the tenth paragraph on page i of the RFP, MetLife proposes the following modifications:

Any entity awarded a contract or submitting a proposal or response to the solicitation agrees not to sue, file a claim, or make a demand of any kind, and will indemnify and hold harmless the State and its employees, volunteers, agents, and its elected and appointed officials from and against any and all third-party claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and reasonable attorney fees and expenses, sustained or asserted against the State, arising out of, resulting from, or attributable to the posting of the contract or the proposals and responses to the solicitation, awards, and other documents.

With respect to Section M(1) on page 11 of the RFP, MetLife proposes the following modifications:

The Vendor agrees to defend, indemnify, and hold harmless the State and its employees, volunteers, agents, and its elected and appointed officials (“the indemnified parties”) from and against any and all third party claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and reasonable attorney fees and expenses (“the claims”), sustained or asserted against the State for personal injury, death, or property loss or damage, arising out of, resulting from, or attributable to the willful misconduct, gross negligence, error, or omission of the Vendor, its employees, Subcontractors, consultants, representatives, and agents, resulting from this contract, except to the extent such Vendor liability is attenuated by any action of the State which directly and proximately contributed to the claims. This provision does not apply to any action taken by the State or at its direction.

With respect to Section M(2) on page 12 of the RFP, MetLife proposes the following modifications:

~~The Vendor agrees it will, at its sole cost and expense, defend, indemnify, and hold harmless the indemnified parties from and against any and all third-party claims, to the extent such claims arise out of, result from, or are attributable to, the actual or alleged infringement or~~

misappropriation of any patent, copyright, trade secret, trademark, or confidential information of any third party by the Vendor or its employees, Subcontractors, consultants, representatives, and agents; provided, ~~however, the State gives the Vendor prompt notice in writing of the claim that such items that form the basis of such claims are used without modification and in accordance with the terms of this Agreement. The Vendor may not settle any infringement claim that will affect the State's use of the Licensed Software without the State's prior written consent, which consent may be withheld for any reason. The foregoing notwithstanding, Vendor makes no warranty, disclaims all liability and shall have no obligation to indemnify the State to the extent that the State or its employees, consultants, representatives or agents modify any portion of the goods, services or Vendor provided software, uses such portion of the Vendor provided software for purposes not contemplated by this Agreement, or combines such portion of the Vendor provided software with software, documentation, services or other materials not provided by Vendor. The State shall promptly notify the Vendor in writing of any claim covered by this indemnification. The State shall give reasonable assistance to the Vendor in defense of any claim covered by this indemnification, at the Vendor's expense. The Vendor shall have sole control of the defense of any claim covered by this indemnification.~~

If a judgment or settlement is obtained or reasonably anticipated against the State's use of any intellectual property for which the Vendor has indemnified the State, the Vendor shall, at the Vendor's sole cost and expense, promptly modify the item or items which were determined to be infringing, acquire a license or licenses on the State's behalf to provide the necessary rights to the State to eliminate the infringement, or provide the State with a non-infringing substitute that provides the State the same or similar functionality. ~~At the State's election, the actual or anticipated judgment may be treated as a breach of warranty by the Vendor, and the State may receive the remedies provided under this Solicitation.~~

With respect to Section M(3) on page 12 of the RFP, MetLife proposes the following modifications:

The Vendor shall, at its expense, indemnify and hold harmless the indemnified parties from and against any third-party claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel, including subcontractor's and their employees, provided by the Vendor.

## Confidentiality

With respect to Section II(R) on page 13 of the RFP, MetLife proposes the following modifications:

All materials and information provided by the Parties or acquired by a Party on behalf of the other Party shall be regarded as confidential information. All materials and information provided or acquired shall be handled in accordance with federal and state law, and ethical standards. Should said confidentiality be breached by a Party, the Party shall notify the other Party as soon as reasonably practical immediately of said breach and take immediate corrective action.

To the extent applicable, it is incumbent upon the Parties to inform their officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a (i)(1), which is made applicable by 5 U.S.C. 552a (m)(1), provides

that any officer or employee of a federal agency, who by virtue of his/her employment or official position has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

## Ownership of Information

With respect to Section III(I) Ownership of Information and Data/Deliverables on page 17 of the RFP, MetLife proposes the following modifications:

The State shall have the unlimited right to publish, duplicate, use, and disclose all information and data the Works (as defined below) developed or obtained by the Vendor on behalf of the State pursuant to this contract.

The State shall own and hold exclusive title to any deliverable developed by Contractor for exclusive use by the State and identified in an underlying statement of work, but solely to the extent that the foregoing does not include any preexisting, independently created or third party materials or any third party or Contractor intellectual property, (collectively the "Works") as a result of this contract. Vendor shall have no ownership interest or title, and shall not patent, license, or copyright, duplicate, transfer, sell, or exchange, ~~the design, specifications, concept, or deliverable such Works.~~

## Assignment of Anti-Trust Actions

With respect to Section III(K) Antitrust on page 20 of the RFP, we will assign to you any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor toward fulfillment of this Contract (as determined by a court of competent jurisdiction).

## Conflict of Interest

With respect to Section III(L) Conflict of Interest on page 20 of the RFP, Metropolitan Life Insurance Company is a wholly-owned subsidiary of MetLife, Inc., which is a publicly-held corporation. As such, we cannot track every potential source of conflicts of interest. To the best of our knowledge, we are not aware of any real, apparent or potential conflict of interest. We are committed to the highest standards of ethics responsibility, honesty, and integrity. Our employees must comply with MetLife, Inc.'s "Code of Business Ethics", and we have a dedicated ethics and compliance department within the company to ensure compliance with this code.

## Warranty

With respect to Section III(Q) Warranty on page 21 of the RFP, MetLife proposes the following modifications:

Despite any clause to the contrary, the Vendor represents and warrants that its services hereunder shall be performed by competent personnel and shall be of professional quality

consistent with generally accepted industry standards for the performance of such services and shall comply in all respects with the requirements of this Agreement. ~~For any breach of this warranty, the Vendor shall, for a period of ninety (90) days from performance of the service, perform the services again, at no cost to the State, or if Vendor is unable to perform the services as warranted, Vendor shall reimburse the State all fees paid to Vendor for the unsatisfactory services.~~ The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including, without limitation actual damages, and, as applicable and awarded under the law, to a prevailing party, reasonable attorneys' fees and costs.

## Litigation History

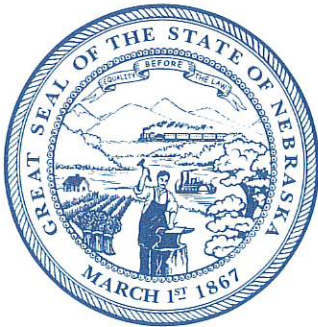
With respect to Section VI(A)(1)(b) Financial Statements on page 27 of the RFP, like most large financial institutions, various litigation, claims and proceedings against the Company have arisen in the course of the Company's business, including, but not limited to, in connection with its activities as an insurer, employer, investor, investment advisor and taxpayer. Further, state insurance regulatory authorities and other federal and state authorities regularly make inquiries and conduct investigations concerning the Company's compliance with applicable insurance and other laws and regulations. MetLife, Inc.'s 10K contains a discussion of a number of litigation, claims and regulatory matters. We believe the matters noted therein will not impact the services requested in this RFP.

# STATE OF NEBRASKA DEPARTMENT OF INSURANCE CERTIFICATE OF COMPLIANCE

November 04, 2021

I, ERIC DUNNING, Director of Insurance for the State of Nebraska, being the official charged by law with the supervision of insurance in said state, do hereby certify that the **METROPOLITAN LIFE INSURANCE COMPANY**, a Nebraska insurance corporation, is duly organized under the laws of this State and that said company has complied with all the requirements of the laws of this State and that it is authorized to issue policies and transact the business of insurance as described by subsection(s) 01 Life Insurance, 02 Variable Life Insurance, 03 Variable Annuities, 04 Sickness and Accident Insurance of Section 44-201 of the Nebraska Statutes.

I hereto subscribe my name under the seal of my office at Lincoln, Nebraska.



  
\_\_\_\_\_  
DIRECTOR OF INSURANCE



# Sample Disability Awareness Kit



It's time to enroll in your  
**benefits**

## XYZ Company Associates

Here are the benefits in which you're eligible to participate.

- Disability Insurance

Sample

Take advantage of the valuable benefits available to you through your employer and enroll or apply today.

# Help protect your income and lifestyle with MetLife Disability Insurance.

Coverage that can help protect your income when you are unable to work.



With a few simple health questions, the option to choose coverage suited to your needs and preferences and premiums that automatically deduct from your paycheck, MetLife Disability insurance makes it easy to protect your income even if your health circumstances change. Your ability to earn an income is one of your most valuable assets—and could be majorly impacted if you experience an illness or injury. Here are some of the key reasons why it pays to have disability insurance:

- Just over one in four of today's 20-year-olds will likely become disabled before reaching age 67.<sup>1</sup>
- On average every year, 5.6% of working Americans will experience a short-term disability due to illness, injury or pregnancy.<sup>2</sup>
- Illnesses like cancer, heart attack or diabetes cause the majority of long-term disabilities.<sup>3</sup>

If you are unable to work and earn an income due to a disability, you still need to be able to meet both your short- and long-term financial responsibilities. 68% of people are worried they won't be able to cover their living expenses for just one month if they lose their primary source of income.<sup>4</sup>

If you have a family, they most likely rely on you to help keep the household running. If you are single and don't prepare ahead to cover your expenses, you may need to use your savings, sell your property or borrow money from friends or family to meet your ongoing financial obligations while you recover.

You need coverage that's easily accessible and payments that quickly allow you to cover everyday expenses. Our convenient coverage can help you make sure your family is financially prepared to handle essential living expenses if you are unable to work, such as the following:

- Mortgage or rent
- Food
- Car payments
- Childcare/tuition

**It only takes a few minutes to help protect yourself, your family and your savings from the impact of your lost income.**

## Why should I enroll now?

- For a limited time, you can sign up for protection with no medical exam, health questions or waiting periods. Please see the plan summary for details.
- Improve your financial security.
- Enroll now or you may have to wait another year to get disability insurance.

## MetLife Short Term/Long Term Disability Insurance

- **Short-term disability may help** replace a portion of your income during the initial weeks of a disability.\*
- **Long-term disability** replaces a portion of your income for disabilities that last for an extended period of time.

### How can coverage benefit you?

- Having this income protection will provide you with an important financial safety net should you become unable to work and earn your income due to a disability.
- You can help protect yourself, your family and your savings from the impact of your lost income by replacing a portion of it during the initial weeks of a disability and for an extended period of time. With MetLife Disability Insurance, you receive disbursements directly to use on whatever you like, from groceries and gas to your mortgage.
- You can count on MetLife to provide you with caring, compassionate and accurate claims service if and when you experience a disability. We make the claims process simple so you can focus on your treatment plan and well-being.
- Please be sure to review the plan summary for complete details about this disability coverage from MetLife. Your coverage may also include some additional benefits designed to assist you in getting back to work. You'll also find information about your plan's benefit amounts, estimated rates, terms and conditions.
- **Rehabilitation incentive** You can increase the amount of your disability benefit by as much as 10% when you participate in a MetLife-approved rehabilitation program.
- **Family care incentive** Get reimbursed for expenses, such as childcare for eligible family members, if you participate in a MetLife-approved rehabilitation program.
- **Work benefit** You may receive up to 100% of your pre-disability earnings when combining the disability benefit, return-to-work earnings, rehabilitation incentives and other income benefits such as state disability benefits and Social Security disability benefits.
- **Moving expense incentive** You may be reimbursed for moving expenses to a new residence if the move is recommended as part of a MetLife-approved rehabilitation program.

**Please review the plan summary for complete details about your company's disability plans from MetLife.**

**\*Special Considerations for MetLife Short Term Disability (STD):** If you work in a state with state-mandated disability or paid medical leave benefits ("State Benefits")<sup>5</sup>, you should carefully consider whether to enroll for this coverage. If you are eligible for State Benefits, you must apply if required by state law. If permitted, your STD benefit will be reduced by State Benefits or other government benefits that apply. Depending on your compensation, the amount of the State Benefit and other factors, you may only receive the minimum weekly benefit. Please consider, based on your individual circumstances, whether you need additional coverage beyond the State Benefit.

**One of your most valuable assets is your ability to earn an income. Guard it with disability insurance.**

**Enroll at [www.enrollmentsite.com](http://www.enrollmentsite.com)**  
or contact your HR representative to **learn more.**

**Questions? Call MetLife Customer Service.**  
1-800-GET-MET8 (1-800-438-6388)

1. Social Security Administration, <https://www.ssa.gov/pubs/EN-05-10029.pdf>. August 2022.

2. Council for Disability Awareness, <http://disabilitycanhappen.org/disability-statistic/>, Accessed May 2023.

3. Council for Disability Awareness, <http://www.disabilitycanhappen.org/common-causes/>, Accessed May 2023.

4. Bankrate's 2023 annual emergency savings report, <https://www.bankrate.com/banking/savings/emergency-savings-report/>. February 2023.

5. These jurisdictions include, but may not be limited to, California, Connecticut, District of Columbia, Hawaii, Massachusetts, New Jersey, New York, Oregon, Puerto Rico, Rhode Island, Washington (and Colorado as of 1/1/24; Maryland, Delaware and Minnesota as of 1/1/26 and Maine as of 5/1/26).

Like group disability insurance policies, MetLife group policies contain certain exclusions, exceptions, waiting periods, reductions, limitations and terms for keeping them in force. Ask your MetLife sales representative for complete costs and details.

# Sample Company Disability Plan Benefits

Metropolitan Life Insurance Company

*Explore the coverage that helps you protect your income and your lifestyle.*

## **What is the difference between Short Term and Long Term Disability insurance?**

**Short Term Disability (STD)** insurance can help you replace a portion of your income during the initial weeks of a Disability and pays a weekly benefit.

**Long Term Disability (LTD)** insurance helps replace a portion of your income for an extended period of time and pays a monthly benefit.

## **Eligibility Requirements**

### **Short Term Disability:**

All active full-time employees working at least 30 hours per week are eligible to participate.

### **Long Term Disability:**

All active full-time employees working at least 30 hours per week are eligible to participate.

## **How is “Disability” defined under the Plan?**

Generally, you are considered disabled and eligible for short term and long term benefits if, due to sickness, pregnancy or accidental injury, you are receiving appropriate care and treatment and are complying with the requirements of treatment, you are unable to earn more than 80% of your predisability earnings at your own occupation for any employer in the National Economy, and you are unable to perform each of the material duties of your own occupation for any employer in the National Economy.

Following the Own Occupation period of LTD, you are considered disabled if, due to sickness, pregnancy or accidental injury, you are receiving appropriate care and treatment and complying with the requirements of treatment and you are unable to earn 60% of your predisability earnings for any employer and you are unable to perform the duties of any gainful occupation for any employer in the National Economy for which you are reasonably qualified taking into account your training, education and experience.

For a complete description of this and other requirements that must be met, refer to the Certificate of Insurance provided by your Employer or contact your MetLife benefits administrator with any questions.

## **What is the benefit amount?**

### **Short Term Disability:**

The Short Term Disability benefit replaces a portion of your predisability earnings, less the income that was actually paid to you during the same Disability from other sources<sup>1</sup> (e.g., state disability benefits, no-fault auto laws, sick pay, etc.).

The Benefit amount is 60% of your predisability weekly earnings; subject to the plan's maximum weekly benefit of \$2,000.

### **Long Term Disability:**

The Long Term Disability benefit replaces a portion of your predisability monthly earnings, less other income you may receive from other sources<sup>1</sup> during the same Disability (e.g., Social Security, Workers' Compensation, vacation pay, etc.).

The Benefit amount is 60% of your predisability monthly earnings; subject to the plan's maximum monthly benefit.

**What is the maximum monthly benefit?**

The amount of the Long Term Disability benefit may not exceed the maximum monthly benefit established under the plan, regardless of your annual salary amount. The maximum under this core plan is \$10,000. If your salary exceeds \$16,667, your LTD benefit will be limited to this maximum.

**When do benefits begin and how long do they continue?****Short Term Disability:**

Benefits begin after the end of the elimination period. The elimination period begins on the day you become disabled and is the length of time you must wait while being disabled before you are eligible to receive a benefit. The elimination periods are/is as follows:

**For Injury:** 14 days.

**For Sickness (includes pregnancy):** 14 days.

Benefits continue for as long as you are disabled up to a maximum duration of 26 weeks of Disability.

**Long Term Disability:**

Benefits begin after the end of the elimination period. The elimination period begins on the day you become disabled and is the length of time you must wait while being disabled before you are eligible to receive a benefit. Your elimination period for Long Term Disability is 180 days.

Your plan's maximum benefit period and any specific limitations are described in the Certificate of Insurance/Summary Plan Description provided by your Employer.

**Additional Disability Plan Benefits:****Coverage with Your Best Interests in Mind...**

When you are ill or injured for a long time, MetLife believes you need more than a supplement to your income. That's why we offer return-to-work services, and financial incentives and assistance in obtaining Social Security Disability Benefits to help you get the maximum benefits from your coverage. (Please note – this assistance is only offered if you are approved for LTD benefits).

**Services to Help You Get Back to Work Can Include:****Nurse Consultant or Case Manager Services:**

Specialists who personally contact you, your physician and your employer to coordinate an early return-to-work plan when appropriate.

**Vocational Analysis:**

Help with identifying job requirements and determining how your skills can be applied to a new or modified job with your employer.

**Job Modifications/Accommodations:**

Adjustments (e.g., redesign of work station tools) that enable you to return to work.

**Retraining:**

Development programs to help you return to your previous job or educate you for a new one.

**Financial Incentives:**

Allow you to receive Disability benefits or partial benefits while attempting to return to work.

**The Services of Social Security Experts:**

Once you are approved for Disability benefits, MetLife can help you obtain Social Security Disability benefits. Our experts can guide you through the initial application and appeals processes and may also help you access assistance from attorneys or vendors to pursue Social Security benefits.

## Answers to Some Important Questions...

### **Q. Can I still receive benefits if I return to work part time?**

**A.** Yes. As long as you are disabled and meet the terms of your Disability plan, you may qualify for adjusted Disability benefits.

Your plan offers financial and Rehabilitation incentives designed to help you to return to work when appropriate, even on a part-time basis when you participate in an approved Rehabilitation Program.

While disabled, you may receive up to 100% of your predisability earnings when combining benefits for up to 12 months, Rehabilitation Incentives, other income sources such as Social Security Disability Benefits and state disability benefits, and part-time earnings. Social Security Disability Benefits and state disability benefits, and part-time earnings. (Please note – the Social Security Disability Benefit assistance is only offered if you are approved for LTD benefits).

Under Short Term Disability coverage and Long Term Disability coverage you can get a 10% increase in your weekly benefit with the Rehabilitation Incentive.

If you work or participate in a rehabilitation program while disabled, following the 4th weekly benefit payment, the Family Care Incentive provides reimbursement up to \$100 per week for eligible expenses, such as child care. Under Long Term Disability if you work or participate in a rehabilitation program while disabled, the Family Care Incentive provides reimbursement up to \$400 per month for eligible expenses, such as child care for up to 12 months.

You may be eligible for the Moving Expense Incentive if you incur expenses in order to move to a new residence recommended as part of the Rehabilitation Program. Expenses must be approved in advance.

### **Q. Are there any exclusions for pre-existing conditions?**

**A.** Yes. Your plan may not cover a sickness or accidental injury that arose in the months prior to your participation in the plan. A complete description of the pre-existing condition exclusion is included in the Certificate of Insurance/Summary Plan Description provided by your Employer or contact your MetLife benefits administrator with any questions.

### **Q. Are there any exclusions to my coverage?**

**A.** Yes. Under *Short Term Disability*, your plan does not cover any Disability which results from or is caused or contributed to by:

- Elective treatment or procedures, such as cosmetic surgery, sex-change surgery, reversal of sterilization, liposuction, visual correction surgery, in-vitro fertilization, embryo transfer procedure, artificial insemination or other specific procedures.

However, pregnancies and complications from any of these procedures will be treated as a sickness.

Under *Short Term and Long Term Disability* coverage, your plan does not cover any Disability which results from or is caused or contributed to by:

- War, whether declared or undeclared, or act of war, insurrection, rebellion or terrorist act;
- Active participation in a riot;
- Intentionally self-inflicted injury or attempted suicide;
- Commission of or attempt to commit a felony.

Additionally, no payment will be made for a Disability caused or contributed to by any injury or sickness for which you are entitled to benefits under Workers' Compensation or a similar law.

### **Q. Are there any limitations to my coverage?**

**A.** For Long Term Disability, limited benefits apply for specific conditions:

If you are disabled due to alcohol, drug or substance abuse or addiction, we will limit your disability benefits to a lifetime maximum of Disability for 24 months. During Your Disability, we require you to participate in an alcohol, drug or substance abuse or addiction recovery program recommended by a



physician.

Benefits will end at the earliest of

- The date you receive 24 months of disability benefit payments;
- The date you cease or refuse to participate in the recovery program referred above; or
- The date you complete such recovery program.

If you are disabled due to mental or nervous disorders or diseases and neuromuscular, musculoskeletal or soft tissue disorder and fibromyalgia and chronic fatigue syndrome and related conditions and self-reported conditions, we will limit your Disability benefits to a lifetime maximum equal to the lesser of:

- 24 months; or
- The Maximum Benefit Period.

Your Disability benefits will be limited as stated above for mental or nervous disorder or disease except for:

- schizophrenia; or
- neurocognitive disorders; or

If You are confined in a Hospital or Mental Health Facility at the end of the period shown above for which benefits are to be paid, We will continue Your Monthly Benefits until the end of Your Hospital or Mental Health Facility confinement.

Other limitations or exclusions to your coverage may apply. Please review your Certificate of Insurance/Summary Plan Description provided by your Employer for specific details or contact your benefits administrator with any questions.

The "Plan Benefits" provides only a brief overview of the LTD and STD plans. A more complete description of the benefits provisions, conditions, limitations, and exclusions will be included in the Certificate of Insurance/Summary Plan Description. If any discrepancies exist between this information and the legal plan documents, the legal plan documents will govern.

Long Term Disability ("LTD") and Short Term Disability ("STD") coverages are provided under a group insurance policy (Form GPNP99) issued to your employer by MetLife. This LTD and STD coverages terminates when your employment ceases, when you cease to be an eligible employee, when your LTD and STD contributions cease (if applicable) or upon termination of the group contract by your employer. Like most group insurance policies, MetLife's group policies contain certain exclusions, elimination periods, reductions, limitations and terms for keeping them in force. State variations may apply.

1 Under certain circumstances, MetLife may estimate the amount of income you may receive from other sources.

## Required Regulatory Information

Like most insurance policies, insurance policies offered by MetLife and its affiliates contain certain exclusions, exceptions, waiting periods, reductions, limitations, and terms for keeping them in force. Please contact MetLife or your plan administrator for complete details.

Certain of the benefits mentioned in this communication may be sponsored by your employer as part of an employee benefit plan subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Those policies/products which are not part of an employer-sponsored plan are offered by MetLife or an affiliate and are not subject to ERISA. With respect to employer-sponsored benefits, you should obtain additional information regarding terms and eligibility from your employer. The MetLife Auto & Home® Group Insurance Program is not part of your employer-sponsored plan and is not subject to ERISA.

The companies listed in this communication operate independently and are not responsible for each other's financial obligations.

# METLIFE U.S. CONSUMER PRIVACY NOTICE — GROUP BUSINESS & SPECIALIZED BENEFIT RESOURCES

<b>Facts:</b>	<b>What Do the MetLife Companies Do With Your Personal Information?</b>
<b>Plan Sponsors and Group Insurance Contract Holders</b>	This privacy notice is for individuals who apply for or obtain our products and services under an employee benefit plan, group insurance or annuity contract, or as an executive benefit. In this notice, “you” refers to these individuals.
<b>Why?</b>	Financial companies choose how they share your personal information. The law gives consumers the right to limit some but not all sharing. The law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
<b>What?</b>	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> <li>• Social Security number and employment information</li> <li>• income and assets</li> <li>• driving record</li> <li>• credit information and other consumer report information</li> <li>• medical information and insurance history</li> <li>• information about any business you have with us, our affiliates, or other companies</li> </ul>
<b>How Does MetLife Get Your Information?</b>	We collect personal information from you as well as through third parties. We also use outside sources to help ensure our records are correct and complete. Third parties include consumer reporting agencies, employers, other financial institutions and adult relatives. Information collected may be kept by the consumer reporting agency and later given to others as permitted by law. We don’t control the accuracy of information outside sources give us. If you want to make changes to information we receive about you, you must contact those sources. If we have asked for a consumer report about you, and you write or call us, we will give you the name, address, and phone number of the consumer reporting agency. The agency will give you a copy of the report, if you ask the agency and provide proper identification. Consumer reports may tell us about a lot of things, including: <ul style="list-style-type: none"> <li>• reputation</li> <li>• work history</li> <li>• driving record</li> <li>• finances</li> <li>• hobbies and dangerous activities</li> </ul> <p>In some limited circumstances, we may ask an agency for an investigative report about you. They will ask others about you. We will ask them to contact you as well.</p>
<b>How Does MetLife Use Your Information?</b>	We collect personal information to help decide if you’re eligible for our products or services. We may also use it to help deter fraud or money laundering. How we use this information depends on what products and services you have or want from us. We may also use it to: <ul style="list-style-type: none"> <li>• administer your products and services</li> <li>• market new products to you</li> <li>• confirm or correct your information</li> <li>• help us run our business</li> <li>• process claims and other transactions</li> <li>• comply with applicable laws</li> <li>• perform business research</li> </ul>
<b>How Does MetLife Protect Your Information?</b>	We take important steps to protect your personal information. We treat it as confidential. We tell our employees to take care in handling it. We limit access to those who need it to perform their jobs. Our service providers must also protect it, and use it only to meet our business needs. We take steps to protect our systems from unauthorized access. We comply with all laws that apply to us.
<b>Reasons MetLife Shares Your Information</b>	All financial companies need to share personal information to run their everyday business. We may share your personal information with others with your consent, by agreement, or as permitted or required by law. We may share your personal information without your consent if permitted or required by law. For example, we may share your information with our sales agents and businesses hired to carry out services for us. We may share your information with our regulators or with law enforcement. If you have MetLife products because of your relationship with an employer, association or other sponsoring organization, we may share information with it and its agents as permitted by law. In the section below, we list the reasons financial companies can share their customers’ personal information; the reasons MetLife chooses to share; and whether you can limit this sharing.

Reasons We Can Share Your Personal Information	Does MetLife share?*	Can you limit this sharing?
<b>For our everyday business purposes</b> – such as to process your transactions, learn if you qualify for coverage, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes</b> – with service providers we use to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	No	Not Applicable
<b>For our affiliates' everyday business purposes</b> – Information about your transactions and experiences	No	Not Applicable
<b>For our affiliates' everyday business purposes</b> – Information about your creditworthiness	No	Not Applicable
<b>For our affiliates to market to you</b>	No	Not Applicable
<b>For non-affiliates to market to you</b>	No	Not Applicable
<b>How Does MetLife Handle Your Health Information?</b>	The Health Insurance Portability and Accountability Act (“HIPAA”) protects your information if you request or purchase dental, vision, long-term care and/or medical insurance from us. We will provide information about your rights under HIPAA with any dental, vision, long-term care or medical coverage issued to you. You can obtain a copy of our HIPAA Privacy Notice by visiting our website at <a href="http://www.MetLife.com">www.MetLife.com</a> . Select “Privacy Policy” at the bottom of the home page. For additional information about your rights under HIPAA or to have a HIPAA Privacy Notice mailed to you, contact us at <a href="mailto:HIPAAprivacyAmericasUS@metlife.com">HIPAAprivacyAmericasUS@metlife.com</a> , or call us at (212) 578-0299.	
<b>Definitions:</b>		
<b>Affiliates</b>	Companies related by common ownership or control. Affiliates can be financial or nonfinancial companies. Our affiliates include life, car, and home insurers. They also include a legal plans company and a securities broker-dealer. In the future, we may have affiliates in other businesses.	
<b>Non-affiliates</b>	Companies not related by common ownership or control. Non-affiliates can be financial or nonfinancial companies. MetLife does not share personal information with non-affiliates for their marketing purposes.	
<b>Joint Marketing</b>	A formal agreement between non-affiliated financial companies that together market financial products or services to you.	
<b>How Can I Access and Correct Information?</b>		
You may ask us for a copy of the personal information we have on you. Generally, we will provide it as long as it is reasonably retrievable. You must make your request in writing and provide the account or policy number associated with the information you wish to access. For legal reasons, we may not show you privileged information relating to a claim or lawsuit, unless required by law. If you tell us that what we know about you is incorrect, we will review it. If we agree, we will update our records. Otherwise, you may dispute our findings in writing. We will include your statement whenever we give your disputed information to anyone outside MetLife.		
<b>Who is Providing This Notice?</b>	Delaware American Life Insurance Company MetLife Legal Plans of Florida, Inc. MetLife Legal Plans, Inc. MetLife Health Plans, Inc. Metropolitan General Insurance Company MetLife Services and Solutions, LLC as administrator for the Prudential Insurance Company of America; Business Men’s Assurance Company of America; Employer’s Reinsurance Corporation; and Teachers Insurance and Annuity Association of America	Metropolitan Life Insurance Company Metropolitan Tower Life Insurance Company Safeguard Health Plans, Inc SafeHealth Life Insurance Company
<b>How Will I Know if This Notice is Changed?</b>	We may revise this privacy notice at any time. If we make material changes, we will notify you as required by law.	
<b>Questions?</b>	Send privacy questions or requests for more information to: MetLife Privacy Office, P.O. Box 489, Warwick, RI 02887-9954; Call (877) 638-7684 or go to <a href="http://www.metlife.com">www.metlife.com</a>	

\* Information we collect in connection with HIPAA-covered products will only be shared as allowed by HIPAA.

Sample





# The MetLife Communications Edge

For a Best-In-Class Experience

**State of Nebraska**  
Disability Insurance

NEBRASKA



The MetLife Difference

With our best-in-class communications support, we make benefit education and engagement easier and more impactful



# Together, we can deliver a relevant, engaging benefits experience for your employees

## Your dedicated Communications Engagement Lead:

- Collaborates with you as an extension of your benefits team
- Works with you to develop a customized communications plan that leverages the latest research-based insights to address the unique needs of your employees

And as a MetLife customer, you automatically get access to our support, **there is no extra cost to you.**

**Learn more about how we support your employees**



**Single Point  
of Contact for  
Communications**

**Elizabeth  
Gilbertson**

Communication &  
Engagement Lead

18 years of experience

[egilbertson@metlife.com](mailto:egilbertson@metlife.com)



# Communications support for your employees throughout their benefits experience

## Year-round benefits awareness & education



Ongoing engagement-building communications keep benefits top of mind for all employees year-round

## Enrollment

Targeted communications inform and educate all employees about their benefits options

Pre-Enrollment

Open Enrollment

Post-Enrollment



## Guidance & support

Timely communications that help participants utilize and make the most of their benefits

# 2025 recommended communications strategy

A multitouch, multichannel campaign to help drive awareness, engagement, education and enrollment

Did you know?

**4+** ancillary touchpoints can significantly increase employee engagement\*

\* 2023 MetLife re-enrollment campaign results



## Digital marketing

Email campaigns **engage employees** at key points and drive action to the enrollment site



## Videos

Videos illustrate how products work and bring the benefits to life, with powerful **stories from real people**



## Benefit collateral

Support tools and educational resources **explain benefits in easy-to-understand terms** and help answer frequently asked questions



## Benefit fairs

Onsite or virtual benefit fairs offer employees **real-time education and assistance** on the benefits available and how best to utilize them

# A variety of year-round communications and tools to help your employees make confident, informed decisions

## Educational materials

- FAQs
- Presentations
- Benefit booklets
- Plan summaries
- Benefit In Action flyers
- Infographics

## Digital communications

- Videos
- Calculator tool
- Banner ads
- Webinar
- Microsite
- TV screen ads

**MetLife | Disability Insurance**

**Help protect your income and lifestyle with Disability Insurance.**  
Coverage that can help protect your income when you are unable to work.

**Disability Insurance: why is it so important?**  
Long Term Disability and Short Term Disability Insurance can help protect your income if you are unable to work due to a major injury, chronic condition, cancer or extended illness. Both Short and Long Term Disability Insurance can help you cover essential living expenses, protect your savings, your home and other assets, and help you avoid having to borrow money from friends or family. Coverage is easily accessible, and in most cases, payments are made directly to you. If you have Long Term Disability Insurance, you can count on monthly payments. For Short Term Disability Insurance, payments are usually made weekly. Plus, you can use the money for whatever you like, from groceries and gas to your mortgage or rent.

**Enroll today!**  
For questions, please call MetLife at 1 800 GET METS 1 800 438-6388

**Why should I enroll now?**

- Improve your financial security.
- Enroll now or you may have to wait another year to get disability insurance.
- Our application is simple and straightforward, but the benefits are significant. There's no better time to secure your coverage.

**Consider this scenario:**  
Jeff is diagnosed with an autoimmune disorder leaving him temporarily paralyzed. While he's unable to work for eight months, his disability insurance pays a percentage of his income each month, allowing him to focus on his recovery without worrying about where his next paycheck would come from. This is a hypothetical example for illustrative purposes only. Individual experiences may vary.

**Your benefit in action:**  
If you experience a major injury or chronic illness, submitting a claim doesn't have to be difficult. Here's what to expect:

Depending on your plan, you can submit your claim by phone, mail or visiting [mybenefits.metlife.com](http://mybenefits.metlife.com). Plus, you can track the status of your claim online (or on the MetLife iOS App).

Answer a few simple questions about what happened and upload your medical documentation to support your claim. Once we have everything, claims are typically processed within 10 business days. You only need one claim form per injury or illness and every claim is reviewed by a claims professional.

For less than the cost of your monthly cell phone bill, you can get coverage for you and your family.

Once your claim is approved, you'll receive monthly or weekly payments depending on your plan. Use the funds however you like.

Disability protection can help you pay for household expenses, including car payments, mortgage or rent, food, and children's tuition.

**How do disability payments work?**  
A. Payment will be made directly to you — [not your employer], hospital, doctor or insurance company. (The payment amount will depend on [your employer's plan], [the amount of coverage you choose].)

**How much does disability insurance cost?**  
A. Disability insurance can be more cost-effective than you may think. For example, a healthy male age 35 may get a \$1,000 monthly benefit for an initial premium of about \$25 a month.\* [Rates for your plan(s) can be found in the enrollment materials provided by your employer.] [Your plan is 100% covered by your employer.]

**MetLife | Disability Insurance**

**Get the facts about Disability insurance.**

**Facts & Stats**  
Studies show that a 20-year-old worker has a one-in-four chance of developing a disability before reaching full retirement age.† Whether it's an exciting event like a pregnancy or an unexpected challenge like an illness or car accident, a disability can affect your ability to earn income.

**Did you know?**  
Disability insurance is coverage that can help protect your income when you are unable to work due to illness or injury.

**Recent studies have shown...**  
55% of workers say they are living paycheck to paycheck, up from 43% in 2022.†

**With simplified enrollment and competitive employee rates, you can get disability coverage and help protect your income for less than the cost of a... Monthly cell phone bill!†**

**Consider this scenario:**  
Jeff is diagnosed with an autoimmune disorder leaving him temporarily paralyzed. While he's unable to work for eight months, his disability insurance pays a percentage of his income each month, allowing him to focus on his recovery without worrying about where his next paycheck would come from. This is a hypothetical example for illustrative purposes only. Individual experiences may vary.

If you are unable to work due to a disability, you will want to help ensure your family is financially prepared to handle essential living expenses such as:

- Mortgage or rent
- Car payments
- Food
- Children's tuition

**MetLife | Long Term Disability Insurance**

Help protect your income while you focus on getting back to work.  
**MetLife Long Term Disability Insurance.**

**ENROLL/APPLY NOW**

1.032303055888eap032524M Sales@C.O.U.M.P.PR.VL  
ADFA 03X02.23

**Don't miss your chance to enroll/apply Month XX-XX, 2023**

**MetLife**

**Disability Insurance**

# Post-enrollment: Support and utilization

Communications that help participants feel supported & engaged

## Resources to help employees navigate the claims process.

### STD Claims Process Video

Take advantage of your benefits

- Disability
- Leave

Disability insurance. A planned absence. Or both.

What benefits are available if you:

- Got sick or hurt
- Couldn't work for a month, six months, or more

### STD to LTD Claims Process Video

**MetLife | Disability Insurance**

### The MetLife US App for your disability claim

MetLife makes it easy for you to keep track of your disability claim every step of the way. Accessing your claim is easier than ever with the MetLife US App.

You can use the app to:

- View and update your claim [and leave] information
- Send messages and attachments to MetLife
- [Set up direct deposit of benefit payments]
- Update your return to work date and other important details

Plus, you can access your information while you're on the go—right at your fingertips.

It's easy. Search "MetLife" at iTunes App Store or Google Play to download the app on your mobile device. Then, register or log in using your MyBenefits login information to access these features. Keep an eye out for future enhancements to MetLife's US App. We are constantly working on improvements to help ensure you have the best experience as a valued customer.

Like most group disability insurance policies, MetLife group policies contain certain exclusions and limitations and terms for keeping them in force. Please contact MetLife or your plan administrator for more information.

Metropolitan Life Insurance Company | 2024  
1000 Park Avenue, New York, NY 10022

Navigating life together

It is easy to get the MetLife US Mobile app

Search "MetLife" in the App Store® or Google Play® and download the MetLife US Mobile App, or scan these QR codes.

GET IT ON Google play

Download on the App Store

**MetLife | MyBenefits**

### Online access to your MetLife Disability claim

The MyBenefits website, [metlife.com/mybenefits](https://metlife.com/mybenefits), is a quick and easy way for you to get the information you need about an existing disability claim—all in one place.

**Simple registration process**

Start enjoying the convenience of using MyBenefits by registering today.

Log on to [metlife.com/mybenefits](https://metlife.com/mybenefits), enter your company name and click **Next**.

On the Home Page, click on **Register Now** and perform the one-time registration process.

1. Enter your first and last name, identifying data and email address.
2. Create a unique user name and password for future access to MyBenefits.
3. For security purposes, choose and answer three identity verification questions that you'd be asked to answer in the event you forget your password.
4. Read and agree to the website's Terms of Use.
5. A confirmation of your registration will be sent to the email address you provided.

**Easily navigate through your claim**

Once you have filed a claim through your company's claim submission process and registered on MyBenefits, you can begin to use the site to check claim status as well as:

- Update your claim [and leave] information: Add and edit key points related to your claim, such as your contact information, any changes in your condition and your expected return to work date.
- Send messages and attachments to MetLife: Communicate with your MetLife Case Manager by sending messages or questions and uploading required documents to help expedite your claim.
- Receive alerts about your claim status: You can sign up to be notified via email for a change in your claim status, the approval of your claim.

**[Sign up for direct deposit:** Once your claim is approved, link your bank account for direct deposits of your benefit payments.]

[metlife.com/mybenefits](https://metlife.com/mybenefits)

Navigating life together

# Virtual and in-person benefits fairs

Expertise and consultation for employees on your company's MetLife insurance plans and coverage options

- ✓ A network of Benefit Counselors **available to support events at your office** locations
- ✓ Additional virtual support available, including **on-demand presentations and webinars**
- ✓ Presentations can be customized and posted online **for employees to access anytime**
- ✓ **Real-time support** by our benefit experts is available through live chat, email and phone



Each year, our MetLife benefits team supports

**500,000+**

employees during onsite events

**2,000**

customers (approx.)

**6,000+**

meetings

Statistics based on 2023 benefits fair activities and metrics



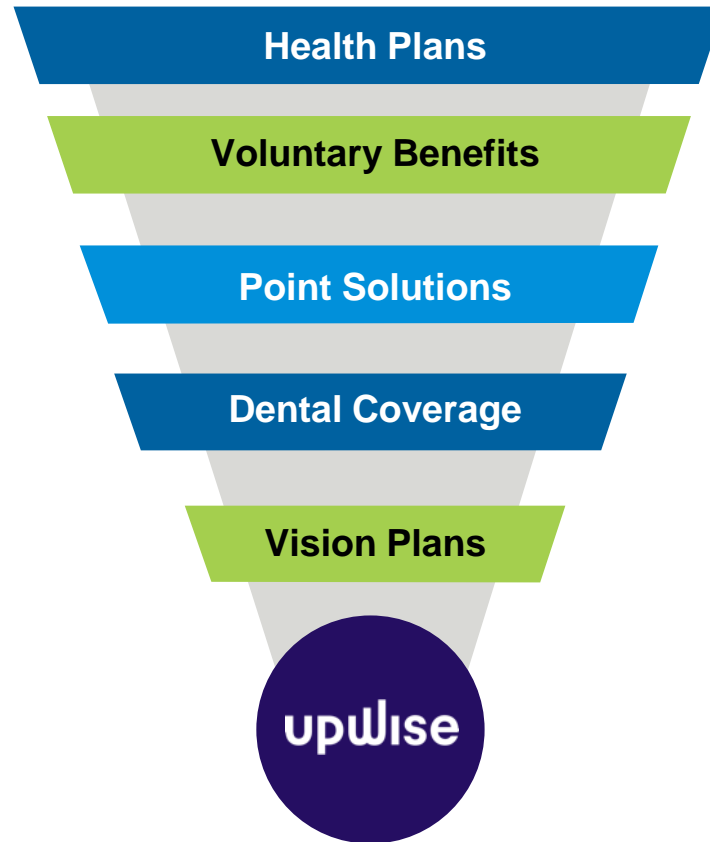
# Upwise

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Guiding employees through  
their benefits decisions

# The Upwise difference

Upwise supports the communication and education of **ALL\*** your benefit offerings, whether they are offered by MetLife or other providers.



\*Upwise makes recommendations to and/or educates employees on benefits such as Medical, Dental, Vision, Supplemental Term Life, STD, LTD, Accident, CI (including Cancer plans), HI, and HSA Contributions, Healthcare FSA, Pet, Legal, and Fraud Protection. Employees may have additional benefits or additional services/perks available to them that are not considered by Upwise.

# Upwise guides and communicates with employees all year round



## Upwise communications:



Position it as the **first step** in the benefits selection process.



Educate employees so they are **informed** of why Upwise is valuable and how it works.



Empower your employees to **get the most value** from their benefits.



# Employees crave the support to make more confident enrollment decisions



80%



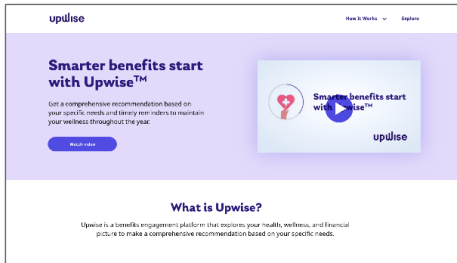
of employees that start the  
**Upwise benefits survey complete it.\***

\*2023 Nayya internal global completion rate numbers.

# Maximizing employee engagement – give every employee the opportunity to use Upwise

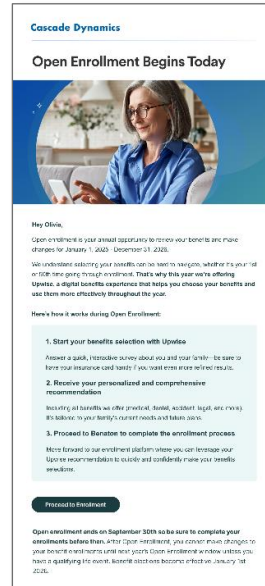
1

Integrate Upwise into your open enrollment communications.



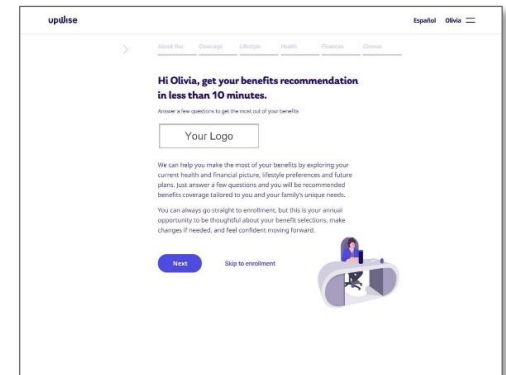
2

Make Upwise the entry point to your enrollment platform.



3

Single sign-on simplifies the employee experience.



Upwise product pages and communications are in the process of being created and approved for deployment. Copy and design is for reference only.

# We provide the communications and assets to support Upwise awareness and education

## Digital email communications

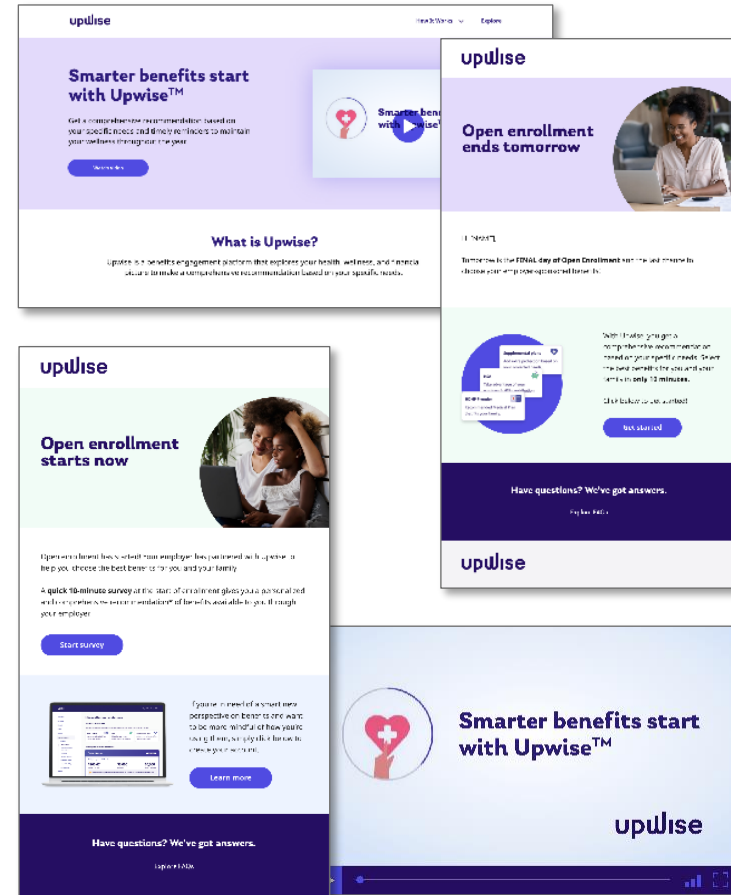
- Pre-enrollment education
- Enrollment kickoff
- Enrollment reminder

## Educational materials

- Upwise landing page
- FAQs
- Banners
- Webinar slides
- Videos
- Postcards

## Informative copy outlines to guide employee messaging

- Upwise purpose
- FAQs
- Leadership support
- Upwise value
- Important reminders



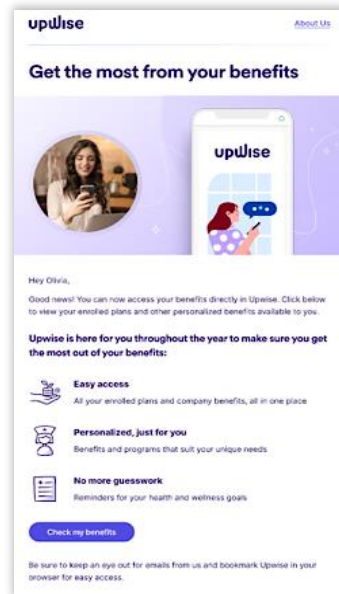
Upwise product pages and communications are in the process of being created and approved for deployment. Copy and design is for reference only.

# After enrolling in their benefits, employees:

1

## Receive a Welcome Communication.

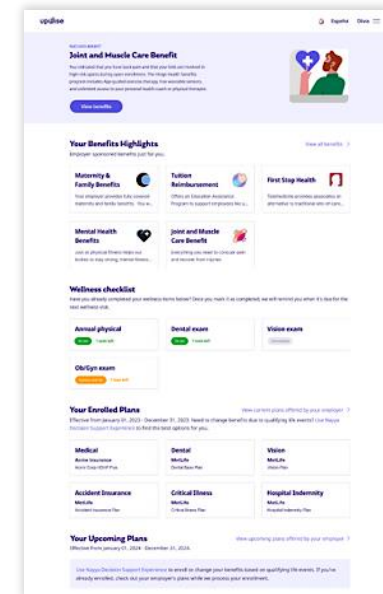
Employees are prompted to visit their Upwise hub and receive year-round reminders about their benefits.



2

## Sign into the Upwise Platform.

Employees can view all their enrolled plans and other available benefits in their personalized benefits platform.



Upwise product pages and communications are in the process of being created and approved for deployment. Copy and design is for reference only.



# State of Nebraska

## Project Plan Sample Disability (STD,LTD) Implementation Timeline

Overall Health: On Schedule

Last Updated Date

12/3/2024

Legend
Green = On schedule
Yellow = Issues exist, Behind plan, Milestone not completed on
Red = Major issues exist, Project end date at risk
Blue = Milestone completed

Nr.	Milestone	Product	Task Detail	Status	Projected Completion Date	Actual Completion Date	Resource(s) Responsible
1	Customer kick off meeting	All Products	Introduce team, identify contacts and begin implementation tasks.	On Schedule	2/24/2025		MetLife
2	Establish and Execute Meeting Schedule	All Products	Review and update tasks and deliverables for all parties involved in the implementation. Address any questions or concerns.	On Schedule	2/24/2025		MetLife
3	Disability Live Chat	Disability	MetLife discusses with customer Live Chat feature and determines if customer is interested in setup	On Schedule	2/25/2025		MetLife
4	Reporting	Disability	Begin discussing customer needs in terms of ongoing reporting and analysis.	On Schedule	2/25/2025		MetLife
5	Submit Application/Statement of Responsibility	All Products	Application and Statement of Responsibility sent to the customer for review and sign off.	On Schedule	3/3/2025		MetLife
6	Submit Performance Guarantees to Customer	All Products	Customer reviews performance guarantees and provides feedback.	On Schedule	3/4/2025		MetLife
7	Eligibility File Setup	Disability	Review the standard eligibility file layout, mapping and transmission requirements with the Customer/TPA and agree on ongoing file delivery schedule.	On Schedule	3/6/2025		MetLife
8	Communication Strategy Call	All Products	Determine how the customer prefers to communicate with their employees and begin to develop a communication strategy.	On Schedule	3/11/2025		MetLife, State of Nebraska
9	Signed Application / Statement of Responsibility	All Products	Application and Statement of Responsibility signed by the customer and returned to MetLife.	On Schedule	3/26/2025		State of Nebraska
10	STD Plan Design, Rates, and Services Summary (PRSS)	Disability - STD	Review, document, and finalize STD PRSS. This is needed to begin MetLife system setup. Missing the target date may impact the overall schedule, potentially impacting the effective date or enrollment services.	On Schedule	3/31/2025		State of Nebraska
11	LTD Plan Design, Rates, and Services Summary (PRSS)	Disability - LTD	Review, document, and finalize LTD PRSS. This is needed to begin MetLife system setup. Missing the target date may impact the overall schedule, potentially impacting the effective date or enrollment services.	On Schedule	3/31/2025		State of Nebraska
12	Disability Claimant Communications	Disability	Provide All Products standard letters to customer and begin letter review.	On Schedule	4/2/2025		MetLife
13	Final Review/Approval of Performance Guarantees	All Products	Customer provides final approval of performance guarantees.	On Schedule	4/7/2025		State of Nebraska
14	Receive First Eligibility Test File	Disability	TPA/Customer sends first test file to MetLife. Necessary to confirm successful transmission of file, system acceptance of data elements, and to confirm data element mapping is correct.	On Schedule	4/18/2025		State of Nebraska
15	FICA Tax Remittance	Disability	Determine whether MetLife will act as Agent of Record. If so, provide Agency Agreement Form(s) to the customer.	On Schedule	4/24/2025		MetLife
16	Receive Second Test Eligibility File	Disability	TPA/Customer sends second test file to MetLife. Necessary to confirm successful transmission of file, system acceptance of data elements, and to confirm data element mapping is correct.	On Schedule	4/30/2025		State of Nebraska
17	FICA Tax Remittance	Disability	Customer signs and returns Agency Agreement Form(s) to MetLife.	On Schedule	5/1/2025		State of Nebraska
18	Receive Final, Clean Test Eligibility File	Disability	TPA/Customer sends final, clean test file to MetLife. Necessary to confirm successful transmission of file, system acceptance of data elements, and to confirm data element mapping is correct.	On Schedule	5/12/2025		State of Nebraska
19	Submit Fully Insured STD Certificate(s)	Disability - STD	Fully insured certificate(s) submitted to customer for review.	On Schedule	5/20/2025		MetLife
20	Submit Fully Insured LTD Certificate(s)	Disability - LTD	Fully insured certificate(s) submitted to customer for review.	On Schedule	5/20/2025		MetLife
21	Non-Standard Contractual Agreement(s)	All Products	CSC obtains sign off from the customer on any non-standard contractual agreements.	On Schedule	5/20/2025		MetLife
22	Billing	All Products	Conduct billing review call to discuss SAP billing process and review standard procedures.	On Schedule	5/20/2025		MetLife, State of Nebraska
23	MetLink Set Up	All Products	Submit MetLife user request form, set up users via MetLink admin tool, distribute temp IDs/passwords. This allows customer access to claim, absence, and reporting information.	On Schedule	5/22/2025		MetLife
24	Summary Plan Description (SPD) / Leave Policy	All Products	Customer provides updated SPD's and/or applicable leave policy documentation to MetLife for claims processing.	On Schedule	5/23/2025		MetLife
25	Reporting	Disability	Finalize customer reports.	On Schedule	5/29/2025		MetLife
26	Disability/FML Claim Process Review	Disability	Review MetLife standard claim/leave process. Customer confirms that they have a full understanding of the processes presented.	On Schedule	6/4/2025		MetLife
27	Submit Fully Insured Policy/Amendment	All Products	MetLife provides policy to customer.	On Schedule	6/20/2025		MetLife
28	Final Review and Approval of Fully Insured STD Certificate(s)	Disability - STD	Customer provides final approval on fully insured certificate(s).	On Schedule	6/20/2025		State of Nebraska
29	Final Review and Approval of Fully Insured LTD Certificate(s)	Disability - LTD	Customer provides final approval on fully insured certificate(s).	On Schedule	6/20/2025		State of Nebraska
30	Short Term Disability Claim Testing	Disability - STD	Ensures that the system is calculating disability claims correctly.	On Schedule	6/26/2025		MetLife
31	Long Term Disability Claim Testing	Disability - LTD	Ensures that the system is calculating disability claims correctly.	On Schedule	6/26/2025		MetLife
32	Receive First Production Eligibility File	Disability	TPA/Customer provides a production file. Necessary to have most accurate claims information for claims administration.	On Schedule	6/27/2025		State of Nebraska
33	MyBenefits	All Products	MyBenefits is ready for production.	On Schedule	7/1/2025		MetLife
34	Go Live	All Products	MetLife begins claim administration.	On Schedule	7/1/2025		MetLife

**State of Nebraska**  
**Sample Disability(STD,LTD) Implementation Schedule**  
**Effective Date July 01, 2025**

ID	Task Name	Duration	Start	Finish	Resource Group
0	<b>2024 Multi Product Core Sample Implementation Schedule</b>	<b>100.92 days</b>	<b>Mon 2/10/25</b>	<b>Tue 7/1/25</b>	
1	Pre 'GO LIVE'	100.92 days	Mon 2/10/25	Tue 7/1/25	
2	<b>Initiation Process Group</b>	<b>6.38 days</b>	<b>Mon 2/10/25</b>	<b>Tue 2/18/25</b>	
3	Complete Notice of Sale	2 hrs	Mon 2/10/25	Mon 2/10/25	MetLife
4	Name Implementation Leader or Implementation Project Leader, based on tiered support model	1 hr	Mon 2/10/25	Mon 2/10/25	MetLife
5	<b>Implementation Team Formation</b>	<b>5 days</b>	<b>Tue 2/11/25</b>	<b>Tue 2/18/25</b>	
6	Send Notice of Sale via 2nd Distribution email	2 hrs	Tue 2/11/25	Tue 2/11/25	MetLife
7	Send Underwriter Notice of Sale requesting RFP documents	2 hrs	Tue 2/11/25	Tue 2/11/25	MetLife
8	<b>Pull the TPE One Pager if there is a TPE on the NOS</b>	<b>1 hr</b>	<b>Tue 2/11/25</b>	<b>Tue 2/11/25</b>	<b>MetLife</b>
9	Establish Implementation Teams and Create Roles & Responsibilities Document	2 days	Tue 2/11/25	Thu 2/13/25	MetLife
10	Absence & Leave Consultant reaches out to Product Director to confirm if any presale change requests were submitted	3 days	Thu 2/13/25	Tue 2/18/25	MetLife
11	<b>Planning Process Group</b>	<b>71.54 days</b>	<b>Mon 2/10/25</b>	<b>Tue 5/20/25</b>	
12	<b>Establish/Execute Meeting Schedule</b>	<b>7 days</b>	<b>Thu 2/13/25</b>	<b>Mon 2/24/25</b>	<b>MetLife</b>
13	Set Up Internal Kickoff Meeting	1 hr	Thu 2/13/25	Thu 2/13/25	MetLife
14	Set Up External Kickoff Meeting	1 hr	Thu 2/13/25	Thu 2/13/25	MetLife
15	Set Up Weekly Implementation Call - Internal	1 hr	Tue 2/18/25	Tue 2/18/25	MetLife
16	Set Up Weekly Implementation Calls - External	1 hr	Mon 2/24/25	Mon 2/24/25	MetLife
17	<b>Project Schedule</b>	<b>1 day</b>	<b>Mon 2/10/25</b>	<b>Tue 2/11/25</b>	
18	Draft/Update implementation project schedule & Review Key Deliverable Dates with the Account Team	1 day	Mon 2/10/25	Tue 2/11/25	MetLife
19	<b>Implementation Guide</b>	<b>3.5 days</b>	<b>Tue 2/18/25</b>	<b>Mon 2/24/25</b>	
20	Obtain Evidence of Insurability (EOI) Rules from Underwriting (the underwriter provides the EOI rules to the CSC in PDF format) and Incorporate into Implementation Guide to Present at External Kick Off	2 days	Tue 2/18/25	Thu 2/20/25	MetLife
21	Update and Finalize Implementation Guide Template for External Kick Off Meeting	1.5 days	Thu 2/20/25	Mon 2/24/25	MetLife
22	<b>Kick Off Meetings</b>	<b>5.13 days</b>	<b>Tue 2/18/25</b>	<b>Tue 2/25/25</b>	
23	Internal Implementation Kick Off Meeting	1 hr	Tue 2/18/25	Tue 2/18/25	MetLife
24	Confirm if any updates are needed to NOS	1 hr	Tue 2/18/25	Tue 2/18/25	MetLife
25	Confirm if any additional resources need to be engaged	1 hr	Tue 2/18/25	Tue 2/18/25	MetLife
26	Follow up with Product Director to confirm if any non-standards were agreed to during RFP and save email response in customer folder in Livelink	5 days	Tue 2/18/25	Tue 2/25/25	MetLife
27	<b>External Implementation Kick Off Meeting</b>	<b>1 hr</b>	<b>Mon 2/24/25</b>	<b>Mon 2/24/25</b>	<b>MetLife</b>
28	Request Customer's current reporting package during External Kick Off Meeting	0.5 hrs	Mon 2/24/25	Mon 2/24/25	MetLife
29	Present Evidence of Insurability (EOI) Rules to Customer/TPA at External Kick Off Meeting	1 hr	Mon 2/24/25	Mon 2/24/25	MetLife
30	Obtain the date the Customer/TPA is scheduled to begin EOI programming, as well as the final cut-off date for EOI programming changes	1 day	Mon 2/24/25	Tue 2/25/25	MetLife
31	<b>Whitelisting URLs</b>	<b>1 day</b>	<b>Mon 3/24/25</b>	<b>Tue 3/25/25</b>	
32	For new business only, CSC to confirm all outgoing e-mails	1 day	Mon 3/24/25	Tue 3/25/25	MetLife
33	<b>Non Standard contractual obligations</b>	<b>65.29 days</b>	<b>Tue 2/18/25</b>	<b>Tue 5/20/25</b>	
34	During Kick off, confirm any non standard commitments	1 day	Tue 2/18/25	Wed 2/19/25	MetLife
35	If non-standard obligation exists, confirm if restriction is in existing agreement (needed for entry onto database)	5 days	Wed 2/19/25	Wed 2/26/25	MetLife
36	If non-standard obligations exists, CSC to contact Suzanne Doshi for entry into the database	1 day	Wed 2/26/25	Thu 2/27/25	MetLife
37	Obtain sign off on any non-standard agreements	1 day	Mon 5/19/25	Tue 5/20/25	MetLife
38	<b>Product Integration Call</b>	<b>12.5 days</b>	<b>Tue 2/18/25</b>	<b>Fri 3/7/25</b>	
39	Complete Product Integration Workbook and Determine if Call is Necessary	3 days	Tue 2/18/25	Fri 2/21/25	MetLife
40	Schedule Product Integration Call with required invitees if needed	2 days	Fri 2/21/25	Tue 2/25/25	MetLife
41	Hold Product Integration Call	1 day	Tue 2/25/25	Wed 2/26/25	MetLife
42	<b>Send meeting minutes and open items to team</b>	<b>2 days</b>	<b>Wed 2/26/25</b>	<b>Fri 2/28/25</b>	<b>MetLife</b>
43	Add completed workbook to setup folder in Livelink	1 day	Fri 2/28/25	Mon 3/3/25	MetLife

**State of Nebraska**  
**Sample Disability(STD,LTD) Implementation Schedule**  
**Effective Date July 01, 2025**

ID	Task Name	Duration	Start	Finish	Resource Group
44	Schedule follow up discussions at internal implementation meetings or as needed	3 days	Mon 3/3/25	Thu 3/6/25	MetLife
45	This could happen at any time during the implementation - confirm no changes to identifiers and keys. If there are changes, determine if follow up product integration call is needed	0.5 days	Thu 3/6/25	Fri 3/7/25	MetLife
46	<b>CDF Customer Number</b>	<b>0.13 days</b>	<b>Thu 2/13/25</b>	<b>Thu 2/13/25</b>	
47	Request CDF Customer Number (New Customers)	1 hr	Thu 2/13/25	Thu 2/13/25	MetLife
48	<b>Livelink</b>	<b>0.19 days</b>	<b>Thu 2/13/25</b>	<b>Thu 2/13/25</b>	
49	Set-up Customer Folder & Sub-Folders (New Customers)	1 hr	Thu 2/13/25	Thu 2/13/25	MetLife
50	Set-up Implementation Sub-Folder	0.5 hrs	Thu 2/13/25	Thu 2/13/25	MetLife
51	<b>STD Plan Design (Including State Disability/PFML, if applicable)</b>	<b>13.19 days</b>	<b>Tue 2/11/25</b>	<b>Fri 2/28/25</b>	
52	Underwriting posts Final RFP documents to the Post Sale LiveLink folder	2 days	Tue 2/11/25	Thu 2/13/25	MetLife
53	Create Shortcut in the implementation set up folder for the RFP Post Sale folder	1 hr	Thu 2/13/25	Thu 2/13/25	MetLife
54	Obtain the final sold rate from Underwriting and an Email from the Account Executive signing off on the rates and save email in Livelink	1 day	Thu 2/13/25	Fri 2/14/25	MetLife
55	Draft STD Plan, Rate, Services Summary (PRSS) and Account Structure Sample	5 days	Fri 2/14/25	Fri 2/21/25	MetLife
56	If STD takeovers are in scope, draft takeover plan and structure in PRSS	1 day	Fri 2/14/25	Mon 2/17/25	MetLife
57	IL Schedules and conducts mandatory Internal PRSS Review with CSC, Contract Analyst, Project Leader, Financial Consultant, CSC Director, Underwriter, Plan Master, Absence & Leave Consultant (Draft PRSS must be sent 2 business prior to meeting)	3 days	Fri 2/21/25	Wed 2/26/25	MetLife
58	Update - STD PRSS, if applicable	2 days	Wed 2/26/25	Fri 2/28/25	MetLife
59	<b>Add Draft PRSS Package to PRSS folder in Livelink</b>	<b>1 hr</b>	<b>Fri 2/28/25</b>	<b>Fri 2/28/25</b>	<b>MetLife</b>
60	<b>LTD Plan Design</b>	<b>13.19 days</b>	<b>Tue 2/11/25</b>	<b>Fri 2/28/25</b>	
61	Underwriting posts Final RFP documents to the Post Sale LiveLink folder	2 days	Tue 2/11/25	Thu 2/13/25	MetLife
62	Create Shortcut in the implementation set up folder for the RFP Post Sale folder	1 hr	Thu 2/13/25	Thu 2/13/25	MetLife
63	Obtain the final sold rate from Underwriting and an Email from the Account Executive signing off on the rates	1 day	Thu 2/13/25	Fri 2/14/25	MetLife
64	Draft LTD Plan, Rate, Services Summary (PRSS) and Account Structure	5 days	Fri 2/14/25	Fri 2/21/25	MetLife
65	If LTD takeovers are in scope, draft takeover plan and structure in PRSS	1 day	Fri 2/14/25	Mon 2/17/25	MetLife
66	IL Schedules and conducts mandatory Internal PRSS Review with CSC, Contract Analyst, Project Leader, Financial Consultant, CSC Director, Underwriter, Plan Master, Absence & Leave Consultant (Draft PRSS must be sent 2 business prior to meeting)	3 days	Fri 2/21/25	Wed 2/26/25	MetLife
67	Update - LTD PRSS, if applicable	2 days	Wed 2/26/25	Fri 2/28/25	MetLife
68	<b>Add Draft PRSS Package to PRSS folder in Livelink</b>	<b>1 hr</b>	<b>Fri 2/28/25</b>	<b>Fri 2/28/25</b>	<b>MetLife</b>
69	<b>Executing Process Group</b>	<b>99.29 days</b>	<b>Tue 2/11/25</b>	<b>Tue 7/1/25</b>	
70	<b>Live Chat Setup (Disability Customers Only)</b>	<b>74.29 days</b>	<b>Tue 2/11/25</b>	<b>Tue 5/27/25</b>	
71	CSC discusses with customer Live Chat feature and determines if customer is interested in setup	10 days	Tue 2/11/25	Tue 2/25/25	MetLife
72	CSC emails Stephanie Williams and Justine Weston that customer is moving forward with Live Chat	2 days	Tue 2/25/25	Thu 2/27/25	MetLife
73	Stephanie Williams or Justine Weston will send email to confirm the customers place is held for the go live date	2 days	Thu 2/27/25	Mon 3/3/25	MetLife
74	CSC requests from customer the associates that will use Live Chat	10 days	Mon 4/28/25	Mon 5/12/25	MetLife
75	CSC sends email to Stephanie Williams and Justine Weston	10 days	Mon 5/12/25	Tue 5/27/25	MetLife
76	Stephanie Williams or Justine Weston sends email to CSC to confirm functionality is live	1 day	Wed 5/14/25	Thu 5/15/25	MetLife
77	<b>REPORTING</b>	<b>99.29 days</b>	<b>Tue 2/11/25</b>	<b>Tue 7/1/25</b>	
78	Begin customer reporting requirements discussion (Custom/Self Reporting)	10 days	Tue 2/11/25	Tue 2/25/25	MetLife
79	<b>Catalyst EE ID Cross Referencing Setup, if applicable</b>	<b>89.29 days</b>	<b>Tue 2/25/25</b>	<b>Tue 7/1/25</b>	
80	Confirm if SSN is key identifier and if customer wants to see employee ID on reporting	1 day	Tue 2/25/25	Wed 2/26/25	MetLife
81	If SSN is key identifier, UIS Analyst will map employee ID to custom field	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
82	Reach out to appropriate reporting contact to update report mapping (Disability only customers will require a custom report)	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
83	Reporting team confirms employee ID mapping is complete	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
84	<b>Operational / Financial Reports</b>	<b>66.29 days</b>	<b>Tue 2/25/25</b>	<b>Thu 5/29/25</b>	
85	Provide Customer with samples of MetLife reports	5 days	Tue 2/25/25	Tue 3/4/25	MetLife
86	Review data elements and sample reports and confirm if custom reporting is needed.	10 days	Tue 3/4/25	Tue 3/18/25	MetLife
87	If custom report is required Absence & Leave Consultant to submit request.	5 days	Tue 3/18/25	Tue 3/25/25	MetLife
88	Absence & Leave Consultant to confirm timing, and deployment of custom reporting	1 day	Mon 5/19/25	Tue 5/20/25	MetLife
89	Determine frequency and delivery of reports	5 days	Tue 5/20/25	Wed 5/28/25	MetLife
90	Finalize customer reports	1 day	Wed 5/28/25	Thu 5/29/25	MetLife



**State of Nebraska**  
**Sample Disability(STD,LTD) Implementation Schedule**  
**Effective Date July 01, 2025**

ID	Task Name	Duration	Start	Finish	Resource Group
91	<b>Plan Design &amp; Structure Evaluation</b>	<b>45.13 days</b>	<b>Fri 2/28/25</b>	<b>Fri 5/2/25</b>	<b>MetLife</b>
92	<b>STD - Plan Design &amp; Structure Review</b>	<b>21.13 days</b>	<b>Fri 2/28/25</b>	<b>Mon 3/31/25</b>	<b>MetLife</b>
93	<b>Plan Design &amp; Structure Confirmation</b>	<b>21.13 days</b>	<b>Fri 2/28/25</b>	<b>Mon 3/31/25</b>	<b>MetLife</b>
94	Deliver proposed Structure and PRSS to Customer for review	1 day	Fri 2/28/25	Mon 3/3/25	MetLife
95	Discussion with Customer regarding Plan Design variances and Review of Structure Draft - CSC to also be internally reviewing the Auto Adjudication checklist during this discussion	10 days	Mon 3/3/25	Mon 3/17/25	MetLife,State of Nebraska
96	For Disability Catalyst Customers only (No AMS), discuss and confirm if customer would like to receive Automated Manager Notification emails	10 days	Mon 3/3/25	Mon 3/17/25	MetLife,State of Nebraska
97	Discuss and confirm with customer the billing & invoice set up requirements and document final invoice breakouts on the structure tab of the PRSS	2 days	Mon 3/3/25	Wed 3/5/25	MetLife,State of Nebraska
98	CSC schedules a call with Contract Analyst, Plan Master, Financial Consultatant, CSC Director, Absence	2 days	Mon 3/17/25	Wed 3/19/25	MetLife
99	If needed, revise PRSS document including structure	2 days	Wed 3/19/25	Fri 3/21/25	MetLife
100	Submit final Plan Design documentation and Structure to Customer for review/approval	1 day	Fri 3/21/25	Mon 3/24/25	MetLife
101	Final Review / Approval of Customer Plan Design and Structure	5 days	Mon 3/24/25	Mon 3/31/25	State of Nebraska
102	Send Final Structure and Plan Design to MetLife Contacts/Customer	1 hr	Mon 3/31/25	Mon 3/31/25	MetLife
103	<b>LTD - Plan Design &amp; Structure Review</b>	<b>22.13 days</b>	<b>Fri 2/28/25</b>	<b>Tue 4/1/25</b>	
104	<b>Plan Design &amp; Structure Confirmation</b>	<b>22.13 days</b>	<b>Fri 2/28/25</b>	<b>Tue 4/1/25</b>	
105	Deliver proposed Structure and PRSS to Customer for review	1 day	Fri 2/28/25	Mon 3/3/25	MetLife
106	Discussion with Customer regarding Plan Design variances and Review of Structure Draft	10 days	Mon 3/3/25	Mon 3/17/25	State of Nebraska,MetLife
107	Discuss and confirm with customer the billing & invoice set up requirements and document final invoice breakouts on the structure tab of the PRSS	2 days	Mon 3/3/25	Wed 3/5/25	MetLife
108	CSC schedules a call with Contract Analyst, Plan Master, Financial Consultatant, CSC Director, Absence & Leave Consultant, & Core IL to review Customer requested updates to PRSS.	2 days	Mon 3/17/25	Wed 3/19/25	MetLife
109	If needed, revise PRSS document including structure	2 days	Wed 3/19/25	Fri 3/21/25	MetLife
110	Submit final Plan Design documentation and Structure to Customer for review/approval	1 day	Fri 3/21/25	Mon 3/24/25	MetLife
111	Final Review / Approval of Customer Plan Design and Structure	5 days	Mon 3/24/25	Mon 3/31/25	State of Nebraska
112	Send Final Structure and Plan Design to MetLife Contacts/Customer	1 hr	Mon 3/31/25	Mon 3/31/25	MetLife
113	If LTD Conversion/Portability sold, CSC to notify IDI Team.	1 day	Mon 3/31/25	Tue 4/1/25	MetLife
114	<b>Tax Remittance (Releases AG 235, AM 034)</b>	<b>24.13 days</b>	<b>Mon 3/31/25</b>	<b>Fri 5/2/25</b>	
115	Determine if MetLife will be the agent of Record and if MetLife will be handling the W2's	2 days	Mon 3/31/25	Wed 4/2/25	MetLife
116	If the plan has a Gross Up Arrangement, or the LTD has a tax choice, draft letter template with customer's information and send to customer to print on their company letterhead	1 day	Mon 3/31/25	Tue 4/1/25	MetLife
117	If the Plan has FICA match OR 3% waiver - email the Master Tax Team <a href="mailto:smtaxteam@metlife.com">smtaxteam@metlife.com</a> , IL, and Contract Analyst	1 day	Wed 4/2/25	Thu 4/3/25	MetLife
118	Prepare Agency Agreement Forms (if Metlife is remitting FICA)	3 days	Tue 4/15/25	Fri 4/18/25	MetLife
119	Submit agency agreement to the Core IL for QA	1 day	Fri 4/18/25	Mon 4/21/25	MetLife
120	Core IL provides feedbackback on the agency agreement	2 days	Mon 4/21/25	Wed 4/23/25	MetLife
121	Provide Agency Agreement Forms to Customer	1 day	Wed 4/23/25	Thu 4/24/25	MetLife
122	Sign and Return Agency Agreement Forms to MetLife	5 days	Thu 4/24/25	Thu 5/1/25	State of Nebraska
123	Customer signs and returns gross up or tax choice letter to MetLife	5 days	Tue 4/1/25	Tue 4/8/25	State of Nebraska
124	Save signed letters and agreements to the Master Tax folder in Livelink and notify Core IL	1 day	Thu 5/1/25	Fri 5/2/25	MetLife
125	<b>MetLife System Set Up</b>	<b>83.67 days</b>	<b>Wed 3/5/25</b>	<b>Tue 7/1/25</b>	
126	<b>CDF &amp; I-Link Implementation</b>	<b>11.13 days</b>	<b>Mon 3/31/25</b>	<b>Tue 4/15/25</b>	
127	Complete STD CDF Set Up	2 days	Mon 3/31/25	Wed 4/2/25	MetLife
128	Complete LTD CDF Set Up	2 days	Mon 3/31/25	Wed 4/2/25	MetLife
129	<b>CDF QA</b>	<b>9.13 days</b>	<b>Wed 4/2/25</b>	<b>Tue 4/15/25</b>	
130	Upon CDF completion, Core IL to save CDF checklist to customer folder in LiveLink and notify CSC and FC to review and complete.	4 hrs	Wed 4/2/25	Thu 4/3/25	MetLife
131	Ensure all CDF screens are complete; Compare CDF and the PRSS to verify data accuracy	1 day	Thu 4/3/25	Fri 4/4/25	MetLife
132	Email results and CDF checklist to IL	2 hrs	Fri 4/4/25	Fri 4/4/25	MetLife

**State of Nebraska**  
**Sample Disability(STD,LTD) Implementation Schedule**  
**Effective Date July 01, 2025**

ID	Task Name	Duration	Start	Finish	Resource Group
133	Make necessary corrections to CDF. If additional review is necessary, notify Client Services Consultant/Financial Consultant that CDF is ready for final review	1 day	Fri 4/4/25	Mon 4/7/25	MetLife
134	Review corrections and notify assigned Core Implementation Leader that CDF can be approved	4 hrs	Mon 4/7/25	Mon 4/7/25	MetLife
135	Approve CDF - STD Coverages	1 day	Mon 4/14/25	Tue 4/15/25	MetLife
136	Approve CDF - LTD Coverages	1 day	Fri 4/11/25	Mon 4/14/25	MetLife
137	<b>iLink</b>	<b>10.13 days</b>	<b>Mon 3/31/25</b>	<b>Mon 4/14/25</b>	
138	Complete STD I-Link booklets	5 days	Mon 3/31/25	Mon 4/7/25	MetLife
139	Complete LTD I-Link booklets	5 days	Mon 3/31/25	Mon 4/7/25	MetLife
140	<b>I-Link QA - STD</b>	<b>5.13 days</b>	<b>Mon 4/7/25</b>	<b>Mon 4/14/25</b>	
141	Send e-mail to the QA Team	1 hr	Mon 4/7/25	Mon 4/7/25	MetLife
142	Provide QA feedback via the QUAD database for IL Review and Updates	3 days	Mon 4/7/25	Thu 4/10/25	MetLife
143	Update I-Link booklets, if applicable	1 day	Thu 4/10/25	Fri 4/11/25	MetLife
144	Forward QA Email to Contracts to begin the Contract Generation Process	1 day	Fri 4/11/25	Mon 4/14/25	MetLife
145	<b>I-Link QA - LTD</b>	<b>4.19 days</b>	<b>Mon 4/7/25</b>	<b>Fri 4/11/25</b>	
146	Send e-mail to the QA Team	1 hr	Mon 4/7/25	Mon 4/7/25	MetLife
147	Provide QA feedback via the QUAD database for IL Review and Updates	3 days	Mon 4/7/25	Thu 4/10/25	MetLife
148	Update I-Link booklets, if applicable	1 day	Thu 4/10/25	Fri 4/11/25	MetLife
149	Forward QA Email to Contracts to begin the Contract Generation Process	0.5 hrs	Fri 4/11/25	Fri 4/11/25	MetLife
150	<b>Master Tax CDF</b>	<b>5 days</b>	<b>Thu 5/1/25</b>	<b>Thu 5/8/25</b>	
151	Complete STD Master Tax in CDF	2 days	Thu 5/1/25	Mon 5/5/25	MetLife
152	Complete LTD Master Tax in CDF	2 days	Thu 5/1/25	Mon 5/5/25	MetLife
153	Master Tax QA completed	2 days	Mon 5/5/25	Wed 5/7/25	MetLife
154	Master Tax approved in CDF	1 day	Wed 5/7/25	Thu 5/8/25	MetLife
155	<b>Feed I-Link to Plan Master</b>	<b>1.44 days</b>	<b>Thu 5/1/25</b>	<b>Mon 5/5/25</b>	
156	Feed STD I-Link to Plan Master	0.5 days	Fri 5/2/25	Mon 5/5/25	MetLife
157	Feed LTD I-Link to Plan Master	0.5 days	Thu 5/1/25	Fri 5/2/25	MetLife
158	<b>Plan Master STD Implementation</b>	<b>13.75 days</b>	<b>Mon 5/5/25</b>	<b>Thu 5/22/25</b>	
159	Provide final PRSS, ASA, certificates, prior carrier documentation (if applicable) to Plan Master for review	1 hr	Mon 5/5/25	Mon 5/5/25	MetLife
160	Plan Master to review all STD documentation (duration is dependent on # of number of plans & complexity of the plan design), confirm Master Tax approved	3 days	Thu 5/8/25	Tue 5/13/25	MetLife
161	Discuss and resolve STD discrepancies between I-link and plan documentation with Implementation Leader and CSC	2 days	Tue 5/13/25	Thu 5/15/25	MetLife
162	<b>Correct STD discrepancies in I-Link</b>	<b>1 day</b>	<b>Thu 5/15/25</b>	<b>Fri 5/16/25</b>	<b>MetLife</b>
163	Correct STD discrepancies in plan documentation (ASA/Certificates)	3 days	Thu 5/15/25	Tue 5/20/25	MetLife
164	Validate & Revise STD Plans in Plan Master, if applicable	1 day	Fri 5/16/25	Mon 5/19/25	MetLife
165	Plan Master Sign off on STD plan set up (admin ready, not yet activated)	0.5 hrs	Mon 5/19/25	Mon 5/19/25	MetLife
166	Activate STD plans for use in production and advise CSC and Implementation Leader via email the date plan	0.5 hrs	Mon 5/19/25	Mon 5/19/25	MetLife
167	IL files e-mail from Plan Master Analyst in Livelink folder	1 hr	Mon 5/19/25	Mon 5/19/25	MetLife
168	Email sent to IT requesting STD plan(s) be copied into test environment	1 day	Mon 5/19/25	Tue 5/20/25	MetLife
169	Notification received from IT resource that plan(s) are in test environment	2 days	Tue 5/20/25	Thu 5/22/25	MetLife
170	<b>Plan Master LTD Implementation</b>	<b>12.63 days</b>	<b>Fri 5/2/25</b>	<b>Tue 5/20/25</b>	
171	Provide final PRSS, ASA, certificates, prior carrier documentation (if applicable) to Plan Master for review	1 hr	Fri 5/2/25	Fri 5/2/25	MetLife
172	Plan Master to review all LTD documentation (duration is dependent on # of number of plans & complexity of the plan design), confirm Master Tax is approved	3 days	Thu 5/8/25	Tue 5/13/25	MetLife
173	Discuss and resolve LTD discrepancies between I-link and plan documentation with Implementation Leader and CSC	2 days	Tue 5/13/25	Thu 5/15/25	MetLife
174	Correct LTD discrepancies in I-Link	1 day	Thu 5/15/25	Fri 5/16/25	MetLife
175	Correct LTD discrepancies in plan documentation (ASA/Certificates)	3 days	Thu 5/15/25	Tue 5/20/25	MetLife
176	Validate & Revise LTD Plans in Plan Master	1 day	Fri 5/16/25	Mon 5/19/25	MetLife
177	Plan Master Sign off on LTD plan set up (admin ready, not yet activated)	0.5 hrs	Mon 5/19/25	Mon 5/19/25	MetLife

**State of Nebraska**  
**Sample Disability(STD,LTD) Implementation Schedule**  
**Effective Date July 01, 2025**

ID	Task Name	Duration	Start	Finish	Resource Group
178	Activate LTD plans for use in production and advise CSC and Implementation Leader via email the date plans were activated.	0.5 hrs	Mon 5/19/25	Mon 5/19/25	MetLife
179	IL files e-mail from Plan Master Analyst in Livelink folder	1 hr	Mon 5/19/25	Mon 5/19/25	MetLife
180	<b>Catalyst Intake Setup</b>	<b>1 day</b>	<b>Mon 6/30/25</b>	<b>Tue 7/1/25</b>	
181	<b>For STD, LTD and/or PFML only implementations</b>	<b>1 day</b>	<b>Mon 6/30/25</b>	<b>Tue 7/1/25</b>	
182	Notify Customer Solutions Center Manager eligibility file has been loaded to production	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
183	PL/IL notifies CSC to provide an example employee name and date of birth to Customer Solutions Center Manager	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
184	CSC provides example employee name and date of birth to Customer Solutions Center Manager	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
185	Customer Solutions Center Manager confirms FLI intake button is live	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
186	If FLI intake button isn't present, Customer Solutions Center Manager submits ticket	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
187	Confirm FLI intake button is present and functional	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
188	<b>Eligibility File Set Up</b>	<b>83.67 days</b>	<b>Wed 3/5/25</b>	<b>Tue 7/1/25</b>	<b>MetLife</b>
189	Review the standard eligibility file layout, mapping and transmission (PGP) requirements with the Customer/TPA and agree on Ongoing File Delivery Schedule	1 day	Wed 3/5/25	Thu 3/6/25	MetLife
190	<b>Eligibility data mapping</b>	<b>30.69 days</b>	<b>Thu 3/6/25</b>	<b>Thu 4/17/25</b>	<b>MetLife</b>
191	Send final structure to customer/TPA	1 day	Mon 3/31/25	Tue 4/1/25	MetLife
192	Send final/custom UIS layout to Customer/TPA if applicable	1 day	Thu 3/6/25	Fri 3/7/25	MetLife
193	Conduct Eligibility File Layout/ Structure Mapping Call with Customer/TPA	2 hrs	Tue 4/1/25	Tue 4/1/25	MetLife,State of Nebraska
194	Revise UIS Layout with customer specific details, if necessary and provide final Eligibility Layout to Customer/TPA	2 days	Tue 4/1/25	Thu 4/3/25	MetLife
195	Customer/TPA reviews file and begins mapping	10 days	Thu 4/3/25	Thu 4/17/25	State of Nebraska
196	<b>FTP Transmissions - UIS set up with DET Team</b>	<b>57.19 days</b>	<b>Thu 3/6/25</b>	<b>Tue 5/27/25</b>	
197	Submit EDT SPRS to Transmissions Group	1 day	Thu 3/6/25	Fri 3/7/25	MetLife
198	DET sends External requirements to Customer contact w CC to UIS, CSC, PL/IL	5 days	Fri 3/7/25	Fri 3/14/25	MetLife
199	Spreadsheet completed and returned to MetLife	10 days	Fri 3/14/25	Fri 3/28/25	MetLife,State of Nebraska,F
200	Spreadsheet attached to request and submitted	1 day	Fri 3/28/25	Mon 3/31/25	MetLife
201	Transmission Analyst Assigned	2 days	Mon 3/31/25	Wed 4/2/25	MetLife
202	Set up connectivity	15 days	Wed 4/2/25	Wed 4/23/25	MetLife
203	Sign-off on moving the sFTP process to production	1 day	Fri 5/16/25	Mon 5/19/25	State of Nebraska,MetLife
204	DET promoted to production	5 days	Mon 5/19/25	Tue 5/27/25	MetLife
205	<b>Eligibility File Testing</b>	<b>20.38 days</b>	<b>Thu 4/17/25</b>	<b>Fri 5/16/25</b>	<b>MetLife</b>
206	<b>Round 1, Level 1 (UIS)</b>	<b>4.13 days</b>	<b>Thu 4/17/25</b>	<b>Thu 4/24/25</b>	<b>MetLife</b>
207	Send populated test file to UIS	1 hr	Thu 4/17/25	Fri 4/18/25	State of Nebraska
208	UIS Set Up and Testing of File and Provide Level 1 (UIS Testing) feedback to Customer/Vendor	4 days	Fri 4/18/25	Thu 4/24/25	MetLife
209	<b>If Applicable - Round 2, Level 1 (UIS)</b>	<b>4.13 days</b>	<b>Wed 4/30/25</b>	<b>Tue 5/6/25</b>	<b>MetLife</b>
210	Resolve issues / errors and send revised test file to UIS	1 hr	Wed 4/30/25	Wed 4/30/25	State of Nebraska
211	Test revised file and provide Level 1 (UIS Testing) feedback to Customer/Vendor	4 days	Wed 4/30/25	Tue 5/6/25	MetLife
212	<b>Final, Clean File - Round 3, Level 1 (UIS)</b>	<b>4.13 days</b>	<b>Mon 5/12/25</b>	<b>Fri 5/16/25</b>	<b>MetLife</b>
213	Resolve issues / errors and send revised test file to UIS	1 hr	Mon 5/12/25	Mon 5/12/25	State of Nebraska
214	Test revised file and provide Level 1 (UIS Testing) feedback to Customer/Vendor	4 days	Mon 5/12/25	Fri 5/16/25	MetLife
215	Sign-off of Eligibility File Testing	1 hr	Fri 5/16/25	Fri 5/16/25	MetLife,State of Nebraska
216	<b>Production Eligibility File</b>	<b>3 days</b>	<b>Thu 6/26/25</b>	<b>Tue 7/1/25</b>	<b>MetLife</b>
217	Send First Production Eligibility File	1 day	Thu 6/26/25	Fri 6/27/25	State of Nebraska
218	Submit file for audit	1 day	Fri 6/27/25	Mon 6/30/25	MetLife
219	File Moved to Production	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
220	<b>Coverage Agreements/Contracts</b>	<b>72.69 days</b>	<b>Thu 2/13/25</b>	<b>Wed 5/28/25</b>	<b>MetLife</b>
221	<b>Application &amp; Statement of Responsibility</b>	<b>22.88 days</b>	<b>Fri 2/21/25</b>	<b>Wed 3/26/25</b>	

**State of Nebraska**  
**Sample Disability(STD,LTD) Implementation Schedule**  
**Effective Date July 01, 2025**

ID	Task Name	Duration	Start	Finish	Resource Group
222	Determine if the customer has special requirements around contractual documents (are they required by a specific date, must they all be delivered at once, are they required to be finalized prior to the effective date)	6 hrs	Mon 2/24/25	Mon 2/24/25	MetLife
223	Create Application and Statement of Responsibility	5 days	Fri 2/21/25	Fri 2/28/25	MetLife
224	Send Application and Statement of Responsibility to CSC	2 hrs	Fri 2/28/25	Fri 2/28/25	MetLife
225	Submit Application and Statement of Responsibility to Customer for review	2 hrs	Fri 2/28/25	Mon 3/3/25	MetLife
226	Customer review of Application and Statement of Responsibility	10 days	Mon 3/3/25	Mon 3/17/25	State of Nebraska
227	Update Application/Statement of Responsibility based on Customer feedback, if applicable	2 days	Mon 3/17/25	Wed 3/19/25	MetLife
228	Provide final Application/Statement of Responsibility to Customer for signature	1 hr	Wed 3/19/25	Wed 3/19/25	MetLife
229	Customer Reviews and signs Application/Statement of Responsibility	5 days	Wed 3/19/25	Wed 3/26/25	State of Nebraska
230	Application Signed by the Account Executive	1 hr	Wed 3/26/25	Wed 3/26/25	MetLife
231	Send fully executed Application/Statement of Responsibility to Contract Analyst for file	1 hr	Wed 3/26/25	Wed 3/26/25	MetLife
232	<b>Performance Guarantees</b>	<b>72.69 days</b>	<b>Thu 2/13/25</b>	<b>Wed 5/28/25</b>	<b>MetLife</b>
233	Provide the link to the Performance Guarantee Workbook template to the CSC following the internal kick off	2 days	Tue 2/18/25	Thu 2/20/25	MetLife
234	Confirm performance guarantees (quoted and documented in proposal)	1 day	Thu 2/13/25	Fri 2/14/25	MetLife
235	<b>Confirm any Contract Delivery PGS</b>	1 day	Tue 2/18/25	Wed 2/19/25	MetLife
236	Obtain appropriate approvals for any Customer Specific/Nonstandard Performance Guarantees, if applicable	5 days	Wed 2/19/25	Wed 2/26/25	MetLife
237	If Custom or Customer Specific PG's apply, Develop Metrics and Reporting Method	0 days	Wed 2/26/25	Wed 2/26/25	MetLife
238	Customize the Performance Guarantee workbook based on PG's sold (provided by Underwriting).	3 days	Wed 2/26/25	Mon 3/3/25	MetLife
239	Send Performance Guarantee workbook to the customer and broker (if applicable) to review	1 day	Mon 3/3/25	Tue 3/4/25	MetLife
240	Customer review of Performance Guarantees	10 days	Tue 3/4/25	Tue 3/18/25	State of Nebraska
241	Address any updates or additions from Customer on Performance Guarantees (customer specific /nonstandard requests must be approved by the applicable resources)	3 days	Tue 3/18/25	Fri 3/21/25	MetLife
242	Customer Final Review and Approval of Performance Guarantee Standards	5 days	Mon 3/31/25	Mon 4/7/25	State of Nebraska
243	Distribute performance guarantee confirmation to impacted areas (Product, Claims, Call Center, QA Team)	2 hrs	Mon 4/7/25	Tue 4/8/25	MetLife
244	Provide Performance Guarantee workbook to Contract Analyst and save in Implementation setup folder	2 hrs	Mon 4/7/25	Mon 4/7/25	MetLife
245	Create PG Agreement, if applicable	10 days	Mon 4/14/25	Mon 4/28/25	MetLife
246	PG to QA for Review	3 days	Mon 4/28/25	Thu 5/1/25	MetLife
247	Submit PG Agreement to Client Services Consultant	2 hrs	Thu 5/1/25	Fri 5/2/25	MetLife
248	Submit PG Agreement to Customer for review	1 day	Fri 5/2/25	Mon 5/5/25	MetLife
249	Customer review of PG Agreement and provides feedback	10 days	Mon 5/5/25	Mon 5/19/25	State of Nebraska
250	Update PG Agreement, if applicable	5 days	Mon 5/19/25	Tue 5/27/25	MetLife
251	Provide final PG Agreement to Customer for sign off	1 day	Tue 5/27/25	Wed 5/28/25	MetLife
252	Provide Fully Executed Agreement to Contract Analyst for filing	2 hrs	Wed 5/28/25	Wed 5/28/25	MetLife
253	<b>LTD Fully Insured MN Situs Only Mental Health Parity Disclosure Requirement</b>	<b>21.33 days</b>	<b>Fri 2/21/25</b>	<b>Tue 3/25/25</b>	
254	Provide LTD Disability Income Disclosure to the customer for signature if mental nervous provision has a link	1.33 days	Fri 2/21/25	Tue 2/25/25	MetLife
255	Customer returns signed LTD Disability Income Disclosure to CSC, send to CA to save in Contract Folder	20 days	Tue 2/25/25	Tue 3/25/25	MetLife, State of Nebraska
256	<b>Fully Insured Policies or Amendments</b>	<b>83 days</b>	<b>Mon 2/24/25</b>	<b>Fri 6/20/25</b>	<b>MetLife</b>
257	<b>Create Fully Insured Certificate and Policy - STD</b>	<b>47.44 days</b>	<b>Mon 4/14/25</b>	<b>Fri 6/20/25</b>	
258	Create Certificates/Policy, if applicable and add FICA match	10 days	Mon 4/14/25	Mon 4/28/25	MetLife
259	Provide Certificates to QA Team	0.5 hrs	Mon 4/28/25	Mon 4/28/25	MetLife
260	QA Team Reviews and Provides Comments to Contract Analyst on Contract Documents	2 days	Mon 4/28/25	Wed 4/30/25	MetLife
261	Contract Analyst Reviews and Updates Contract Documents per QA Team Review	2 days	Wed 4/30/25	Fri 5/2/25	MetLife
262	Provide Contract Documents to Plan Master and alert IL to feed	2 hrs	Fri 5/2/25	Mon 5/5/25	MetLife
263	Submit Certificates/Policy to Client Services Consultant	2 hrs	Mon 5/19/25	Tue 5/20/25	MetLife
264	Submit Certificates/Policy to Customer for review	1 hr	Tue 5/20/25	Tue 5/20/25	MetLife
265	Customer review of Certificates/Policy	10 days	Tue 5/20/25	Wed 6/4/25	State of Nebraska

**State of Nebraska**  
**Sample Disability(STD,LTD) Implementation Schedule**  
**Effective Date July 01, 2025**

ID	Task Name	Duration	Start	Finish	Resource Group
266	Update Contract Documents, if applicable	5 days	Wed 6/4/25	Wed 6/11/25	MetLife
267	Provide final Certificates/Policy to Customer for approval	1 day	Wed 6/11/25	Thu 6/12/25	MetLife
268	CSC sends fully executed document requiring customer approval to Contract Analyst for file	1 day	Thu 6/12/25	Fri 6/13/25	MetLife
269	Final review/approval of Certificates/Policy/Other Agreements	5 days	Fri 6/13/25	Fri 6/20/25	State of Nebraska
270	<b>Create Fully Insured Certificate and Policy - LTD</b>	<b>48.38 days</b>	<b>Fri 4/11/25</b>	<b>Fri 6/20/25</b>	
271	Create Certificates/Policy, if applicable and add FICA match	10 days	Fri 4/11/25	Fri 4/25/25	MetLife
272	Provide Certificates to QA Team	0.5 hrs	Fri 4/25/25	Fri 4/25/25	MetLife
273	QA Team Reviews and Provides Comments to Contract Analyst on Contract Documents	2 days	Fri 4/25/25	Tue 4/29/25	MetLife
274	Contract Analyst Reviews and Updates Contract Documents per QA Team Review	2 days	Tue 4/29/25	Thu 5/1/25	MetLife
275	Provide Contract Documents to Plan Master and alert IL to feed	2 hrs	Thu 5/1/25	Fri 5/2/25	MetLife
276	Submit Certificates/Policy to Client Services Consultant	2 hrs	Mon 5/19/25	Tue 5/20/25	MetLife
277	Submit Certificates/Policy to Customer for review	1 hr	Tue 5/20/25	Tue 5/20/25	MetLife
278	Customer review of Certificates/Policy	10 days	Tue 5/20/25	Wed 6/4/25	State of Nebraska
279	Update Contract Documents, if applicable	5 days	Wed 6/4/25	Wed 6/11/25	MetLife
280	Provide final Certificates/Policy to Customer for approval	1 day	Wed 6/11/25	Thu 6/12/25	MetLife
281	CSC sends fully executed document requiring customer approval to Contract Analyst for file	1 day	Thu 6/12/25	Fri 6/13/25	MetLife
282	Final review/approval of Certificates/Policy/Other Agreements	5 days	Fri 6/13/25	Fri 6/20/25	State of Nebraska
283	<b>Review of Customer Summary Plan Description</b>	<b>63.94 days</b>	<b>Mon 2/24/25</b>	<b>Fri 5/23/25</b>	<b>MetLife</b>
284	If fully insured, confirm if the customer will provide MetLife certs or the customer's SPD to employees	1 day	Mon 2/24/25	Tue 2/25/25	MetLife
285	If customer is drafting SPD CSC to obtain a draft (required for ASO)	20 days	Mon 3/31/25	Mon 4/28/25	MetLife
286	MetLife Review of SPD draft updated by customer and provide feedback to customer with updates and recommendations	7.5 days	Mon 4/28/25	Thu 5/8/25	MetLife
287	Customer Revise SPD, provide final copy to MetLife, and distribute to employees	10 days	Thu 5/8/25	Thu 5/22/25	State of Nebraska
288	Add final version to the Summary Plan Description (SPD) folder located within the Administration folder in L	1 day	Thu 5/22/25	Fri 5/23/25	MetLife
289	<b>Implementation Credit Amendment, if applicable</b>	<b>64.54 days</b>	<b>Tue 2/18/25</b>	<b>Tue 5/20/25</b>	
290	Confirm if there are any implementation credits	1 day	Tue 2/18/25	Wed 2/19/25	MetLife
291	If so send link for process to CSC and AE	1 hr	Mon 5/19/25	Tue 5/20/25	MetLife
292	<b>Call Center (Customer Solutions Center (CSC))</b>	<b>93 days</b>	<b>Tue 2/18/25</b>	<b>Mon 6/30/25</b>	<b>MetLife</b>
293	Confirm whether a customer specific 800 # is required	3 days	Tue 2/18/25	Fri 2/21/25	MetLife
294	<b>Disability Infomet</b>	<b>2 days</b>	<b>Tue 4/1/25</b>	<b>Thu 4/3/25</b>	
295	Disability Notification to Customer Solutions Center of Customer additions (New Customer InfoMet Form)	1 day	Tue 4/1/25	Wed 4/2/25	MetLife
296	If existing customer adding new coverages, review current InfoMet form and make updates based on changes to customer setup, coverages and submit changes to InfoMet distribution indicated on the InfoMet form	1 day	Tue 4/1/25	Wed 4/2/25	MetLife
297	Save finalized InfoMet form in the Implementation setup folder	1 day	Wed 4/2/25	Thu 4/3/25	MetLife
298	<b>Dedicated Toll Free Number &amp; Network Greeting Set Up</b>	<b>90 days</b>	<b>Fri 2/21/25</b>	<b>Mon 6/30/25</b>	
299	Email notification sent to Call Center - IVR/Telephony Resource	1 day	Fri 2/21/25	Mon 2/24/25	MetLife
300	Obtain Dedicated number, if required	10 days	Fri 2/21/25	Fri 3/7/25	MetLife
301	Submit Disability Change Request (CR) if dedicated # required	1 day	Fri 3/7/25	Mon 3/10/25	MetLife
302	Provide Generic Script or Develop Customized Network Script with Customer	10 days	Mon 3/10/25	Mon 3/24/25	MetLife
303	Submit proposed call flow to Jeremy Christian	10 days	Mon 3/24/25	Mon 4/7/25	MetLife
304	Network Planning Team Implements Approved Scripting Greeting and Prompts	8 wks	Fri 4/25/25	Mon 6/23/25	MetLife
305	Test Routing plan	5 days	Mon 6/23/25	Mon 6/30/25	MetLife
306	<b>Procedures / Workflow Analysis</b>	<b>7.5 days</b>	<b>Wed 4/2/25</b>	<b>Mon 4/14/25</b>	
307	Review InfoMet form and AMSUF if applicable	7.5 days	Wed 4/2/25	Mon 4/14/25	MetLife
308	<b>Company Table (TUDCUST) Update</b>	<b>38.06 days</b>	<b>Wed 4/2/25</b>	<b>Tue 5/27/25</b>	

**State of Nebraska**  
**Sample Disability(STD,LTD) Implementation Schedule**  
**Effective Date July 01, 2025**

ID	Task Name	Duration	Start	Finish	Resource Group
309	Complete Company Table Edits to load Parent Name and Business Aliases to Production Company Table	5 days	Wed 4/2/25	Wed 4/9/25	MetLife
310	Add any necessary Alerts (Paper Claim or redirects for LISA / Catalyst)	5 days	Wed 4/2/25	Wed 4/9/25	MetLife
311	LISA groups only: Additionally add group to Company table test environment	5 days	Mon 5/19/25	Tue 5/27/25	MetLife
312	<b>Call Center Knowledge Update</b>	<b>45 days</b>	<b>Mon 4/14/25</b>	<b>Tue 6/17/25</b>	
313	Draft group article if/as applicable and provide for review/approval to publish.	15 days	Mon 4/14/25	Mon 5/5/25	MetLife
314	Complete Knowledge updates if/as applicable (incl. affiliates listing)	30 days	Mon 5/5/25	Tue 6/17/25	MetLife
315	<b>Disability Claims Process</b>	<b>46 days</b>	<b>Mon 3/31/25</b>	<b>Wed 6/4/25</b>	<b>MetLife</b>
316	<b>STD Claim Process Development (Applicable for State Disability &amp; PFML Plans when necessary)</b>	<b>46 days</b>	<b>Mon 3/31/25</b>	<b>Wed 6/4/25</b>	
317	Pull and prepare standard claim process presentation, incorporating any necessary details specific to the customer's plan and setup (standard/pre approved options)	5 days	Mon 3/31/25	Mon 4/7/25	MetLife
318	Review MetLife standard claim / leave process. Customer confirms that they have a full understanding of the processes presented and reviews	1 day	Mon 4/7/25	Tue 4/8/25	MetLife
319	<b>Complete the auto adjudication (AA) checklist and sent it to email distribution for review - see notes</b>	<b>3 days</b>	<b>Tue 4/8/25</b>	<b>Fri 4/11/25</b>	<b>MetLife</b>
320	If customer will be excluded from AA, confirm they have been added to AA bypass	5 days	Fri 4/11/25	Fri 4/18/25	MetLife
321	If non-standards are requested, submit a Disability Change Request outlining what is being requested	2 days	Fri 4/18/25	Tue 4/22/25	MetLife
322	Disability Change Management obtains and communicates a decision on the request	10 days	Tue 4/22/25	Tue 5/6/25	MetLife
323	Business Procedures Team creates applicable work instructions for the claim team	10 days	Tue 5/6/25	Tue 5/20/25	MetLife
324	Review claim team work instructions	5 days	Tue 5/20/25	Wed 5/28/25	MetLife
325	Make Updates, if applicable	2 days	Wed 5/28/25	Fri 5/30/25	MetLife
326	Distribute final claim team work instruction to Unit Leader(s)	1 day	Fri 5/30/25	Mon 6/2/25	MetLife
327	Post the work instructions in Livelink	2 days	Mon 6/2/25	Wed 6/4/25	MetLife
328	<b>LTD Claim Process Development</b>	<b>39 days</b>	<b>Mon 3/31/25</b>	<b>Fri 5/23/25</b>	
329	Pull and prepare standard claim process presentation, incorporating any necessary details specific to the customer's plan and setup (standard/pre approved options)	5 days	Mon 3/31/25	Mon 4/7/25	MetLife
330	Review MetLife standard claim / leave process. Customer confirms that they have a full understanding of the processes presented and reviews	1 day	Mon 4/7/25	Tue 4/8/25	MetLife
331	Confirm with customer if they can send a listing of employees eligible for LTD that includes original insurance effective date.	1 day	Tue 4/8/25	Wed 4/9/25	MetLife
332	If non-standards are requested, submit a Disability Change Request outlining what is being requested	2 days	Wed 4/9/25	Fri 4/11/25	MetLife
333	Disability Change Management obtains and communicates a decision on the request	10 days	Fri 4/11/25	Fri 4/25/25	MetLife
334	Business Procedures Team creates applicable work instructions for the claim team	10 days	Fri 4/25/25	Fri 5/9/25	MetLife
335	Review Claim Team work instructions	5 days	Fri 5/9/25	Fri 5/16/25	MetLife
336	Make Updates, if applicable	2 days	Fri 5/16/25	Tue 5/20/25	MetLife
337	Distribute final claim team work instruction to LTD Associate Manager	1 day	Tue 5/20/25	Wed 5/21/25	MetLife
338	Post the work instructions in Livelink	2 days	Wed 5/21/25	Fri 5/23/25	MetLife
339	<b>Customer Specific Claims Team Training Ees - STD</b>	<b>1 day</b>	<b>Tue 6/24/25</b>	<b>Wed 6/25/25</b>	
340	Unit Leader provide training to claims team to make sure they understand specific customer claims process and plan design.	1 day	Tue 6/24/25	Wed 6/25/25	MetLife
341	<b>Customer Specific Claims Team Training Ees - LTD</b>	<b>1 day</b>	<b>Tue 6/24/25</b>	<b>Wed 6/25/25</b>	
342	Associate Manager to provide training to claims team to make sure they understand specific customer claims process and plan design.	1 day	Tue 6/24/25	Wed 6/25/25	MetLife
343	<b>Disability Claim System Testing</b>	<b>27 days</b>	<b>Mon 5/19/25</b>	<b>Thu 6/26/25</b>	
344	<b>STD Claim System Testing</b>	<b>27 days</b>	<b>Mon 5/19/25</b>	<b>Thu 6/26/25</b>	<b>MetLife</b>
345	Make sure claims team has access in test environment to build/process claims	3 days	Mon 5/19/25	Thu 5/22/25	MetLife
346	Unit Leader to send email to Client Specific BA Team requesting plans be copied into test environment	1 day	Mon 5/19/25	Tue 5/20/25	MetLife
347	Notification received from Client Specific BA Team resource that plan(s) are in test environment	2 days	Tue 5/20/25	Thu 5/22/25	MetLife
348	Test scenarios developed	5 days	Mon 5/19/25	Tue 5/27/25	MetLife
349	Build claims in Test Environment	5 days	Tue 5/27/25	Tue 6/3/25	MetLife
350	Claim Team Test System with Sample Claims and document results	10 days	Tue 6/3/25	Tue 6/17/25	MetLife
351	Meeting to discuss testing results	1 day	Tue 6/17/25	Wed 6/18/25	MetLife
352	If needed, request changes to plan master through revision process	5 days	Wed 6/18/25	Wed 6/25/25	MetLife

**State of Nebraska**  
**Sample Disability(STD,LTD) Implementation Schedule**  
**Effective Date July 01, 2025**

ID	Task Name	Duration	Start	Finish	Resource Group
353	Retest corrections	5 days	Wed 6/18/25	Wed 6/25/25	MetLife
354	Sign off on Plan System	1 day	Wed 6/25/25	Thu 6/26/25	MetLife
355	<b>LTD Claim System Testing</b>	<b>27 days</b>	<b>Mon 5/19/25</b>	<b>Thu 6/26/25</b>	<b>MetLife</b>
356	Make sure claims team has access in test environment to build/process claims	3 days	Mon 5/19/25	Thu 5/22/25	MetLife
357	Associate Manager to send email to Client Specific BA Team requesting plans be copied into test environment	1 day	Mon 5/19/25	Tue 5/20/25	MetLife
358	Notification received from Client Specific BA Team resource that plan(s) are in test environment	2 days	Tue 5/20/25	Thu 5/22/25	MetLife
359	Test scenarios developed	5 days	Mon 5/19/25	Tue 5/27/25	MetLife
360	Build claims in Test Environment	5 days	Tue 5/27/25	Tue 6/3/25	MetLife
361	Claim Team Test System with Sample Claims and documents results	10 days	Tue 6/3/25	Tue 6/17/25	MetLife
362	Meeting to discuss testing results	1 day	Tue 6/17/25	Wed 6/18/25	MetLife
363	If needed, request changes to plan master through revision process	5 days	Wed 6/18/25	Wed 6/25/25	MetLife
364	Retest corrections	5 days	Wed 6/18/25	Wed 6/25/25	MetLife
365	Sign off on Plan System	1 day	Wed 6/25/25	Thu 6/26/25	MetLife
366	<b>Disability Claimant Communications</b>	<b>59 days</b>	<b>Mon 3/31/25</b>	<b>Mon 6/23/25</b>	
367	<b>Disability Claimant Communications (ADA, STD, LTD Ack Packet, FML Rights Package, STD, LTD, FML, Company Sponsored non-FML Letters)-State Plans where applicable</b>	<b>59 days</b>	<b>Mon 3/31/25</b>	<b>Mon 6/23/25</b>	
368	Provide Applicable Ack Packet and Common Standard Letters to Customer - Please Read Note	2 days	Mon 3/31/25	Wed 4/2/25	MetLife
369	Customer Reviews Letters	10 days	Wed 4/2/25	Wed 4/16/25	State of Nebraska
370	Address any questions/feedback on letters	5 days	Wed 4/16/25	Wed 4/23/25	MetLife
371	If customization requested, Letters submitted via disability change request	5 days	Wed 4/23/25	Wed 4/30/25	MetLife
372	Disability Change Management reviews change request	10 days	Wed 4/30/25	Wed 5/14/25	MetLife
373	If approved, Disability Change Management sends approval to Claimant Communications Team for program	1 day	Thu 5/29/25	Fri 5/30/25	MetLife
374	Claimant Communications team provides release date(s), programs letters and schedule into release	3 wks	Fri 5/30/25	Fri 6/20/25	MetLife
375	Final agreed upon letter samples are provided to the customer	1 day	Fri 6/20/25	Mon 6/23/25	MetLife
376	<b>STD Only Automated Manager Email Setup (if applicable when customer does not have AMS) - Catalyst Only Customers</b>	<b>12 days</b>	<b>Mon 3/31/25</b>	<b>Wed 4/16/25</b>	
377	Submit Disability Change Request to initiate setup of STD Automated Manager Emails	2 days	Mon 3/31/25	Wed 4/2/25	MetLife
378	Disability Change Management confirms Automated Manager Email setup is complete	10 days	Wed 4/2/25	Wed 4/16/25	MetLife
379	<b>Establish Monthly Premium / Fee Remittance Procedures</b>	<b>2 days</b>	<b>Mon 5/19/25</b>	<b>Wed 5/21/25</b>	
380	Discuss and Finalize Customer's current Billing and Remittance Procedures as well as what is to be used going forward	1 day	Mon 5/19/25	Tue 5/20/25	MetLife,State of Nebraska
381	For New Customers, Complete the New Customers/Coverage's Notification form for the Remittance Service Center	1 day	Tue 5/20/25	Wed 5/21/25	MetLife
382	Add the Financial Consultant to CDF	1 day	Mon 5/19/25	Tue 5/20/25	MetLife
383	<b>E-Business Set Up (MetLink / MyBenefits)</b>	<b>99.29 days</b>	<b>Tue 2/11/25</b>	<b>Tue 7/1/25</b>	<b>MetLife</b>
384	Determine Customer needs and what MetLink reporting available to the customer in terms of reporting and analytics	15 days	Mon 3/24/25	Mon 4/14/25	MetLife
385	<b>Set Up MetLink @ Access (Includes MetLink Life Claims Submittal)</b>	<b>18 days</b>	<b>Mon 4/28/25</b>	<b>Thu 5/22/25</b>	<b>MetLife</b>
386	Determine Customer's MetLink users and their access privileges. Pull appropriate MetLink setup form (Legacy or GSSP) as a guide for user access.	5 days	Mon 4/28/25	Mon 5/5/25	MetLife
387	Complete the Customer Authorization Form (for new customers only)	1 day	Mon 5/5/25	Tue 5/6/25	MetLife
388	Complete GSSP MetLink Setup form ( found on the eBRC)	5 days	Tue 5/6/25	Tue 5/13/25	MetLife
389	Send the completed user form with Customer Authorization Form (where applicable) together via email to the MetLink_MyBenefits_setup team email address.	1 day	Tue 5/13/25	Wed 5/14/25	MetLife
390	Set up user access in the MetLink Admin Tool, distribute temporary ID's and passwords	1 day	Tue 5/13/25	Wed 5/14/25	MetLife
391	Confirm customer and users are set up in the MetLink Admin Tool and GSSP Config Tool after confirmation email from MetLink MyBenefits setup team.	1 day	Tue 5/13/25	Wed 5/14/25	MetLife
392	Test MetLink using your internal blanket MetLink access to see if all coverages appear	1 day	Tue 5/13/25	Wed 5/14/25	MetLife
393	Schedule and conduct customer training for new Metlink users	5 days	Wed 5/14/25	Wed 5/21/25	MetLife
394	Review ATP reporting setup with customer, confirm reports are set up to generate (ATP customers only)	1 day	Wed 5/21/25	Thu 5/22/25	MetLife
395	Conduct Billing Review Call to discuss SAP Billing process and review standard procedures with the Customer	1 day	Wed 5/14/25	Thu 5/15/25	MetLife
396	<b>My Benefit Setup</b>	<b>99.29 days</b>	<b>Tue 2/11/25</b>	<b>Tue 7/1/25</b>	<b>MetLife</b>
397	If any custom verbiage needed on MyBenefits- CSC submits request to database see notes	1 day	Tue 2/11/25	Wed 2/12/25	MetLife
398	IL to send the MyBenefits Setup Document to CSC to be completed.	1 day	Mon 3/31/25	Tue 4/1/25	MetLife

**State of Nebraska**  
**Sample Disability(STD,LTD) Implementation Schedule**  
**Effective Date July 01, 2025**

ID	Task Name	Duration	Start	Finish	Resource Group
399	Confirm production eligibility file has been loaded	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
400	Complete the Setup form and submit to Peer QA	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
401	Complete Peer QA	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
402	IL to make QA updates and submit MyBenefits Set Up form to the MetLink_MyBenefits_setup team (in eBR	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
403	Set up user access in the MyBenefits Admin Tool	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
404	Confirm customer is set up in the MyBenefits website via receipt of confirmation email from MetLink MyBenefits setup team.	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
405	Test the MyBenefits user experience, if applicable	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
406	Send confirmation email to customer once set up is complete, if needed	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
407	Demonstrate for the customer the MyBenefits user experience, if needed	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
408	Validate MyBenefits is setup, accurate and ready for go live	1 day	Mon 6/30/25	Tue 7/1/25	MetLife
409	<b>Training - Customer's HR Staff (MetLink/MyBenefits)</b>	<b>11 days</b>	<b>Mon 4/28/25</b>	<b>Tue 5/13/25</b>	
410	Determine Customer training needs	1 day	Mon 4/28/25	Tue 4/29/25	MetLife
411	Schedule Customer Training	3 days	Tue 4/29/25	Fri 5/2/25	MetLife
412	Develop training materials, Identify Training Resources	1.5 days	Fri 5/2/25	Tue 5/6/25	MetLife
413	Customer Sign Off on Training Materials	5 days	Tue 5/6/25	Tue 5/13/25	State of Nebraska
414	Deliver Customer Training	0.5 days	Tue 5/13/25	Tue 5/13/25	MetLife
415	<b>Open Enrollment / Employee Communication Strategy</b>	<b>37.67 days</b>	<b>Mon 3/10/25</b>	<b>Wed 4/30/25</b>	<b>MetLife</b>
416	CSC facilitates a communication strategy call with the customer and CEL	1.67 days	Mon 3/10/25	Tue 3/11/25	MetLife,State of Nebraska
417	If custom forms are required, CSC to reach to Enrollment Form Development & Support Team	1 day	Tue 3/11/25	Wed 3/12/25	MetLife
418	Enrollment Form Development & Support Team customizes form(s) and provides completed form(s) to CSC	7 days	Wed 3/12/25	Fri 3/21/25	MetLife
419	CEL to develop Communication Strategy	10 days	Fri 3/21/25	Fri 4/4/25	State of Nebraska,MetLife
420	CEL to finalize Communication Plan	1 day	Fri 4/4/25	Mon 4/7/25	MetLife
421	CEL to provide Customer Sample Communication Materials	1 day	Mon 4/7/25	Tue 4/8/25	MetLife
422	Customer to provide feedback on communications and logo if it is to be included	5 days	Tue 4/8/25	Tue 4/15/25	State of Nebraska
423	CEL to update communications	5 days	Tue 4/15/25	Tue 4/22/25	MetLife
424	Customer to sign off on communications	5 days	Tue 4/22/25	Tue 4/29/25	State of Nebraska
425	CEL manages distribution of communication materials	1 day	Tue 4/29/25	Wed 4/30/25	MetLife
426	<b>Open Enrollment</b>	<b>1 day</b>	<b>Tue 6/24/25</b>	<b>Wed 6/25/25</b>	<b>MetLife</b>
427	Customer Open Enrollment Period Begins	0.5 days	Tue 6/24/25	Wed 6/25/25	State of Nebraska,MetLife
428	Customer Open Enrollment Period Ends	0.5 days	Wed 6/25/25	Wed 6/25/25	State of Nebraska,MetLife
429	<b>'GO LIVE' CLAIM PAYMENT EFFECTIVE DATE</b>	<b>0 days</b>	<b>Tue 7/1/25</b>	<b>Tue 7/1/25</b>	<b>MetLife</b>
430	<b>Active Management</b>	<b>0 days</b>	<b>Tue 7/1/25</b>	<b>Tue 7/1/25</b>	<b>MetLife</b>
431	MetLife begins processing STD claims.	0 days	Tue 7/1/25	Tue 7/1/25	MetLife
432	MetLife begins processing LTD claims.	0 days	Tue 7/1/25	Tue 7/1/25	MetLife



## STD Performance Guarantees

\*We will place 2.0% of the STD Insurance premiums at risk. We will mutually agree on the allocation of the amount at risk by category during the implementation. Performance guarantees are based on an annual roll-up of actual results (January 1<sup>st</sup> through December 31<sup>st</sup>); however, data is tracked monthly.

Category	Measurement	Standard (Metric)	Amount at Risk
<b>Claim Acknowledgement</b>	Number of business days from date of claim receipt to first contact with employee/employer.	Average of 2 business days. Based on Claim Office results.	*
<b>Initial Disability Decision</b>	Number of business days from the time that MetLife received all information necessary to make a decision.	Average of 2 business days. Based on Claim Office results.	*
<b>Financial Accuracy</b>	Dollars in sample paid correctly divided by dollars in sample.	99% Based on Claim Office results.	*
<b>Decisional Accuracy</b>	Have accepted proper liability for claim and correct decision made on meeting disability criteria.	98.5% Based on Claim Office results.	*
<b>Procedural Accuracy</b>	Effective application of disability management tools and initiatives, and accuracy of file documentation.	95% Based on Claim Office results.	*
<b>Statistical Coding Accuracy</b>	Accuracy in coding date of disability, ICD-9 Code, Social Security number, hire date, birth date, salary, Social Security code, Claim Status Code, etc.	97% Based on Claim Office results.	*

Please note: Except when required otherwise by law or regulation, the information provided herein should be considered proprietary and confidential.

Category	Measurement	Standard (Metric)	Amount at Risk
<b>Call Answer</b>	Average speed to answer as measured by our Customer Response Center operation for all MetLife disability claim offices.	80% of intake calls answered within 20 seconds.  Based on MetLife's Book of Business.	*
<b>Call Abandonment</b>	Call abandonment rate as measured by our Call Center operation for all MetLife disability claim offices.	No greater than 3% abandonment rate for intake calls.  Based on MetLife's Book of Business.	*

Please note: Except when required otherwise by law or regulation, the information provided herein should be considered proprietary and confidential.

## LTD Performance Guarantees

\*We will place 2.0% of the LTD Insurance premiums at risk. We will mutually agree on the allocation of the amount at risk by category during the implementation. Performance guarantees are based on an annual roll-up of actual results (January 1<sup>st</sup> through December 31<sup>st</sup>); however, data is tracked monthly.

Category	Measurement	Standard (Metric)	Amount at Risk
<b>Claim Acknowledgement</b>	Number of business days from date of claim receipt to first contact with employee/employer.	Average of 5 business days.  Based on Claim Office results.	*
<b>Initial Disability Decision</b>	Number of business days from the time that MetLife received all information necessary to make a decision.	Average of 5 business days.  Based on Claim Office results.	*
<b>Financial Accuracy</b>	Dollars in sample paid correctly divided by dollars in sample.	99%  Based on Claim Office results.	*
<b>Decisional Accuracy</b>	Have accepted proper liability for claim and correct decision made on meeting disability criteria.	98.5%  Based on Claim Office results.	*
<b>Procedural Accuracy</b>	Effective application of disability management tools and initiatives, and accuracy of file documentation.	95%  Based on Claim Office results.	*

Please note: Except when required otherwise by law or regulation, the information provided herein should be considered proprietary and confidential.

Category	Measurement	Standard (Metric)	Amount at Risk
<b>Statistical Coding Accuracy</b>	Accuracy in coding date of disability, ICD-9 code, Social Security number, hire date, birth date, salary, Social Security code, claim status code, etc.	97%  Based on Claim Office results.	*
<b>Any Occupation Decisions</b>	For plans with Own Occupation to Any Occupation transition, decision made on or before transition date or if not able to make decision by that date for reasons beyond our control, followed appropriate transition process.	95%  Based on Claim Office results.	*

Please note: Except when required otherwise by law or regulation, the information provided herein should be considered proprietary and confidential.

## Implementation Performance Guarantee

Category	Measurement	Amount at Risk
<b>Implementation Satisfaction</b>	MetLife will receive, from designated customer respondents, an average of at least a 5 rating on a 7 point scale to the question, "Overall Satisfaction with the Implementation" on the MetLife Post Implementation survey.	Additional .25% at risk  (Year One Only)

Please note: Except when required otherwise by law or regulation, the information provided herein should be considered proprietary and confidential.

## Account Management Performance Guarantee

Category	Measurement	Amount at Risk
<b>Account Management Satisfaction</b>	MetLife will receive, from designated customer respondents, an average for the year of at least a 5 rating on a 7 point scale to the question "Overall Satisfaction with the MetLife Account Team" on the MetLife Account Management Survey.	Additional .25% at risk  (Year Two and Beyond)

Please note: Except when required otherwise by law or regulation, the information provided herein should be considered proprietary and confidential.



# 2023 Annual Report

Navigating life together

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2023

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number: 001-15787

**MetLife, Inc.**

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of  
incorporation or organization)

13-4075851

(I.R.S. Employer  
Identification No.)

200 Park Avenue, New York, NY

(Address of principal executive offices)

10166-0188

(Zip Code)

(212) 578-9500

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.01	MET	New York Stock Exchange
Floating Rate Non-Cumulative Preferred Stock, Series A, par value \$0.01	MET PRA	New York Stock Exchange
Depository Shares, each representing a 1/1,000th interest in a share of 5.625% Non-Cumulative Preferred Stock, Series E	MET PRE	New York Stock Exchange
Depository Shares, each representing a 1/1,000th interest in a share of 4.75% Non-Cumulative Preferred Stock, Series F	MET PRF	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

5.875% Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series D, par value \$0.01

3.850% Fixed Rate Reset Non-Cumulative Preferred Stock, Series G, par value \$0.01

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant at June 30, 2023 was approximately \$42.8 billion.

At February 8, 2024, 723,020,313 shares of the registrant's common stock were outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE**

Part III of this Form 10-K incorporates by reference certain information from the registrant's definitive proxy statement for the Annual Meeting of Shareholders to be held on June 18, 2024, to be filed by the registrant with the Securities and Exchange Commission pursuant to Regulation 14A not later than 120 days after the year ended December 31, 2023.

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## Table of Contents

	<u>Page</u>
<b>Part I</b>	
Item 1. <a href="#">Business</a>	4
Item 1A. <a href="#">Risk Factors</a>	29
Item 1B. <a href="#">Unresolved Staff Comments</a>	42
Item 1C. <a href="#">Cybersecurity</a>	43
Item 2. <a href="#">Properties</a>	44
Item 3. <a href="#">Legal Proceedings</a>	44
Item 4. <a href="#">Mine Safety Disclosures</a>	44
<b>Part II</b>	
Item 5. <a href="#">Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</a>	45
Item 6. <a href="#">Reserved</a>	46
Item 7. <a href="#">Management’s Discussion and Analysis of Financial Condition and Results of Operations</a>	47
Item 7A. <a href="#">Quantitative and Qualitative Disclosures About Market Risk</a>	124
Item 8. <a href="#">Financial Statements and Supplementary Data</a>	129
Item 9. <a href="#">Changes in and Disagreements With Accountants on Accounting and Financial Disclosure</a>	330
Item 9A. <a href="#">Controls and Procedures</a>	330
Item 9B. <a href="#">Other Information</a>	332
Item 9C. <a href="#">Disclosure Regarding Foreign Jurisdictions that Prevent Inspections</a>	332
<b>Part III</b>	
Item 10. <a href="#">Directors, Executive Officers and Corporate Governance</a>	332
Item 11. <a href="#">Executive Compensation</a>	333
Item 12. <a href="#">Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</a>	333
Item 13. <a href="#">Certain Relationships and Related Transactions, and Director Independence</a>	336
Item 14. <a href="#">Principal Accountant Fees and Services</a>	337
<b>Part IV</b>	
Item 15. <a href="#">Exhibits and Financial Statement Schedules</a>	338
Item 16. <a href="#">Form 10-K Summary</a>	338
<a href="#">Exhibit Index</a>	339
<a href="#">Signatures</a>	348

*As used in this Form 10-K, “MetLife,” the “Company,” “we,” “our” and “us” refer to MetLife, Inc., a Delaware corporation incorporated in 1999, its subsidiaries and affiliates.*

### **Note Regarding Forward-Looking Statements**

This Annual Report on Form 10-K, including Management’s Discussion and Analysis of Financial Condition and Results of Operations, may contain or incorporate by reference information that includes or is based upon forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give expectations or forecasts of future events and do not relate strictly to historical or current facts. They use words and terms such as “anticipate,” “are confident,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “if,” “intend,” “likely,” “may,” “plan,” “potential,” “project,” “should,” “will,” “would” and other words and terms of similar meaning or that are otherwise tied to future periods or future performance, in each case in all derivative forms. They include statements relating to future actions, prospective services or products, future performance or results of current and anticipated services or products, future sales efforts, future expenses, the outcome of contingencies such as legal proceedings, and future trends in operations and financial results.

Many factors determine Company results, and they involve unpredictable risks and uncertainties. Our forward-looking statements depend on our assumptions, our expectations, and our understanding of the economic environment, but they may be inaccurate and may change. We do not guarantee any future performance. Our results could differ materially from those we express or imply in forward-looking statements. The risks, uncertainties and other factors identified in MetLife, Inc.’s filings with the U.S. Securities and Exchange Commission, and others, may cause such differences. These factors include:

- (1) economic condition difficulties, including risks relating to interest rates, credit spreads, declining equity or debt markets, real estate, obligors and counterparties, government default, currency exchange rates, derivatives, climate change, public health and terrorism and security;
- (2) global capital and credit market adversity;
- (3) credit facility inaccessibility;
- (4) financial strength or credit ratings downgrades;
- (5) unavailability, unaffordability, or inadequate reinsurance, including reinsurance risks that arise from reinsurers’ credit risk, and the potential shortfall or failure of risk mitigants to protect against such risks;
- (6) statutory life insurance reserve financing costs or limited market capacity;
- (7) legal, regulatory, and supervisory and enforcement policy changes;
- (8) changes in tax rates, tax laws or interpretations;
- (9) litigation and regulatory investigations;
- (10) unsuccessful efforts to meet all environmental, social, and governance standards or to enhance our sustainability;
- (11) MetLife, Inc.’s inability to pay dividends and repurchase common stock;
- (12) MetLife, Inc.’s subsidiaries’ inability to pay dividends to MetLife, Inc.;
- (13) investment defaults, downgrades, or volatility;
- (14) investment sales or lending difficulties;
- (15) collateral or derivative-related payments;
- (16) investment valuations, allowances, or impairments changes;
- (17) claims or other results that differ from our estimates, assumptions, or models;
- (18) global political, legal, or operational risks;
- (19) business competition;
- (20) technological changes;
- (21) catastrophes;
- (22) climate changes or responses to it;

- (23) deficiencies in our closed block;
- (24) goodwill or other asset impairment, or deferred income tax asset allowance;
- (25) impairment of value of business acquired, value of distribution agreements acquired or value of customer relationships acquired;
- (26) product guarantee volatility, costs, and counterparty risks;
- (27) risk management failures;
- (28) insufficient protection from operational risks;
- (29) failure to protect confidentiality and integrity of data or other cybersecurity or disaster recovery failures;
- (30) accounting standards changes;
- (31) excessive risk-taking;
- (32) marketing and distribution difficulties;
- (33) pension and other postretirement benefit assumption changes;
- (34) inability to protect our intellectual property or avoid infringement claims;
- (35) acquisition, integration, growth, disposition, or reorganization difficulties;
- (36) Brighthouse Financial, Inc. separation risks;
- (37) MetLife, Inc.'s Board of Directors influence over the outcome of stockholder votes through the voting provisions of the MetLife Policyholder Trust; and
- (38) legal- and corporate governance-related effects on business combinations.

MetLife, Inc. does not undertake any obligation to publicly correct or update any forward-looking statement if MetLife, Inc. later becomes aware that such statement is not likely to be achieved. Please consult any further disclosures MetLife, Inc. makes on related subjects in subsequent reports to the U.S. Securities and Exchange Commission.

**Note Regarding Reliance on Statements in Our Contracts**

See “Exhibit Index — Note Regarding Reliance on Statements in Our Contracts” for information regarding agreements included as exhibits to this Annual Report on Form 10-K.

**Part I**

**Item 1. Business**

**Index to Business**

	<b>Page</b>
<a href="#">Business Overview &amp; Strategy</a>	<u>5</u>
<a href="#">Segments and Corporate &amp; Other</a>	<u>6</u>
<a href="#">Policyholder Liabilities</a>	<u>10</u>
<a href="#">Underwriting and Pricing</a>	<u>11</u>
<a href="#">Reinsurance Activity</a>	<u>12</u>
<a href="#">Regulation</a>	<u>12</u>
<a href="#">Competition</a>	<u>25</u>
<a href="#">Human Capital Resources</a>	<u>26</u>
<a href="#">Information About Our Executive Officers</a>	<u>27</u>
<a href="#">Trademarks</a>	<u>28</u>
<a href="#">Available Information</a>	<u>28</u>

## Business Overview & Strategy

As used in this Form 10-K, “MetLife,” the “Company,” “we,” “our” and “us” refer to MetLife, Inc., a Delaware corporation incorporated in 1999, its subsidiaries and affiliates.

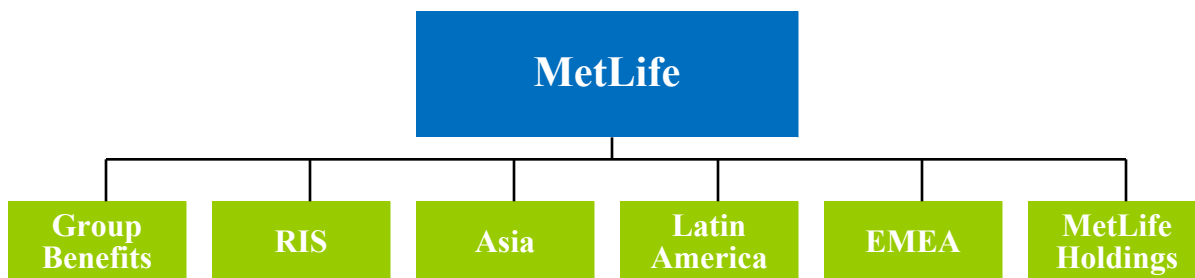
MetLife is one of the world’s leading financial services companies, providing insurance, annuities, employee benefits and asset management. We hold leading market positions in the United States (“U.S.”), Japan, Latin America, Asia, Europe and the Middle East. We are also one of the largest institutional investors in the U.S. with a general account portfolio invested primarily in fixed income securities (corporate, structured products, municipals, and government and agency) and mortgage loans, as well as real estate, real estate joint ventures, other limited partnerships and equity securities.

Our well-recognized brand, globally diversified and market-leading businesses, competitive and innovative product offerings and financial strength and expertise should help drive future growth and enhance shareholder value. We will continue to execute on our Next Horizon strategy, creating value focusing on the following three pillars:



- **Focus**
  - *Generate strong free cash flow by deploying capital and resources to the highest value opportunities.*
- **Simplify**
  - *Simplify our business to deliver operational efficiency and an outstanding customer experience.*
- **Differentiate**
  - *Drive competitive advantage through our brand, scale, talent, and innovation.*

In the fourth quarter of 2023, MetLife reorganized from five segments into the following six segments to reflect changes in management’s responsibilities: Group Benefits; Retirement and Income Solutions (“RIS”); Asia; Latin America; Europe, the Middle East and Africa (“EMEA”); and MetLife Holdings. The Group Benefits and RIS businesses were previously reported as the U.S. segment. In addition, the Company continues to report certain of its results of operations in Corporate & Other. See “— Segments and Corporate & Other” and Note 2 of the Notes to the Consolidated Financial Statements for further information on the Company’s segments and Corporate & Other.



## Segments and Corporate & Other

We offer a broad range of products and services aimed at serving the financial needs of our customers. We sell these products to corporations and other institutions (including local, state and federal governments) and their respective employees, as well as individuals.

### Group Benefits

We have built a leading position in the U.S. group insurance market through long-standing relationships with many of the largest employers in the U.S.

Our Group Benefits segment, based in the U.S., offers life insurance, dental, group short- and long-term disability, individual disability, accidental death and dismemberment (“AD&D”) insurance, vision, and accident & health insurance, as well as prepaid legal plans and pet insurance. We also sell administrative services-only (“ASO”) arrangements to some employers.

We distribute Group Benefits products and services through a sales force primarily comprised of MetLife employees that is segmented by the size of the target customer. Account executives sell either directly to corporate and other group customers or through an intermediary, such as a broker or consultant. Employers have been emphasizing voluntary products and, as a result, we have increased our focus on communicating and marketing to employees in order to further foster sales of those products.

We have entered into several operating joint ventures and other arrangements with third parties to expand opportunities to market and distribute Group Benefits products and services. We also sell Group Benefits products and services through sponsoring associations and affinity groups and provide life, dental, accident & health, and vision coverage to certain employees of the U.S. Government. We have longstanding relationships with these employees and continue to cultivate and expand them through additional product offerings.

Our Group Benefits segment quarterly claims experience may vary, as seasonal illnesses effect mortality and morbidity, and due to utilization rate fluctuation in our non-medical health businesses. Annual benefit renewal implementation, enrollment, and marketing costs normally elevate expenses for the Group Benefits segment in the fourth quarter.

### Major Products

<i>Term Life Insurance</i>	A guaranteed benefit upon the death of the insured for a specified time period in return for the periodic payment of premiums. Premiums may be guaranteed at a level amount for the coverage period or may be non-level and non-guaranteed. Term contracts expire without value at the end of the coverage period when the insured party is still living.
<i>Variable Life Insurance</i>	Insurance coverage through a contract that gives the policyholder flexibility in investment choices and, depending on the product, in premium payments and coverage amounts, with certain guarantees. Premiums and account balances can be directed by the policyholder into a variety of separate account investment options or directed to the Company’s general account. In the separate account investment options, the policyholder bears the entire risk of the investment results. With some products, by maintaining certain premium level, policyholders may have the advantage of various guarantees that may protect the death benefit from adverse investment experience.
<i>Universal Life Insurance</i>	Insurance coverage on the same basis as variable life, except that premiums, and the resulting accumulated balances, are allocated only to the Company’s general account. With some products, by maintaining a certain premium level, policyholders may have the advantage of various guarantees that may protect the death benefit from adverse investment experience.
<i>Dental</i>	Insurance and ASO arrangements that assist employees, retirees and their families in maintaining oral health while reducing out-of-pocket expenses.
<i>Disability</i>	Insurance and ASO arrangements for groups and individuals to provide benefits for income replacement, payment of business overhead expenses or mortgage protection, in the event of the disability of the insured.
<i>Accident &amp; Health Insurance</i>	Accident, critical illness or hospital indemnity coverage to the insured.
<i>Vision</i>	Insurance, ASO arrangements, and managed eye health and vision care solutions to assist employees, retirees and their families in maintaining vision health while reducing out-of-pocket expenses. Offered to commercial groups, individuals, health plans and government sponsored programs through a nationwide provider network, retail optical chains and online eyewear providers.

**Retirement and Income Solutions**

Our RIS segment, based in the U.S., provides funding and financing solutions that help institutional customers mitigate and manage liabilities primarily associated with their employee benefit programs using a spectrum of life and annuity-based insurance and investment products.

We distribute RIS products and services through dedicated sales teams and relationship managers primarily comprised of MetLife employees. We may sell products directly to benefit plan sponsors and advisors or through brokers, consultants or other intermediaries. In addition, these sales professionals work with individual, group and global distribution areas to better reach and service customers, brokers, consultants and other intermediaries.

**Major Products**

<p><i>Stable Value Products</i></p>	<ul style="list-style-type: none"> <li>• <i>General account guaranteed interest contracts (“GICs”)</i> are designed to provide stable value investment options within tax-qualified defined contribution plans by offering a fixed maturity investment with a guarantee of liquidity at contract value for participant transactions.</li> <li>• <i>Separate account GICs</i> are available to defined contribution plan sponsors by offering market value returns on separate account investments with a general account guarantee that plan participants will always be able to transact in their accounts at contract value.</li> <li>• <i>Synthetic GICs or “wraps”</i> are contracts available only to the sponsor of a participant-directed defined contribution plan. The contract “wraps” a portfolio of investments owned by the plan to provide a guarantee that plan participants will always be able to transact in their accounts at contract value. Generally, a wrap contract means that participants will not experience negative returns.</li> <li>• <i>Private floating rate funding agreements</i> are generally privately-placed, unregistered investment contracts issued as general account obligations with interest credited based on a specified rate or agreed upon short-term benchmark rate. These agreements are used for money market funds, securities lending cash collateral portfolios and short-term investment funds.</li> </ul>
<p><i>Annuities</i></p> <p><i>Pension Risk Transfers</i></p> <p><i>Institutional Income Annuities</i></p> <p><i>Structured Settlements</i></p>	<p><i>General account and separate account annuities</i> are offered in connection with defined benefit pension plans which include single premium buyouts allowing for full or partial transfers of pension liabilities.</p> <ul style="list-style-type: none"> <li>• <i>General account annuities</i> include non-participating group contract benefits purchased for retired or active employees covered under terminating or ongoing pension plans.</li> <li>• <i>Separate account annuities</i> include both participating and non-participating group contract benefits. Participating contract benefits are purchased for retired, terminated, or active employees covered under active or terminated pension plans. The assets supporting the guaranteed benefits for each contract are held in a separate account, however, the Company fully guarantees all benefit payments. Non-participating contracts have economic features similar to our general account product, but offer the added protection of an insulated separate account. Under accounting principles generally accepted in the United States of America (“GAAP”), these annuity contracts are treated as general account products.</li> </ul> <p>General account contracts that are guaranteed payout annuities purchased for employees upon retirement or termination of employment. Contracts can be life or non-life contingent non-participating contracts which do not provide for any loan or cash surrender value and, with few exceptions, do not permit future considerations.</p> <p>Customized annuities designed to serve as an alternative to a lump sum payment in a lawsuit initiated because of personal injury, wrongful death, or a workers’ compensation claim or other claim for damages. Surrenders are generally not allowed, although commutations are permitted in certain circumstances. Guaranteed payments consist of life contingent annuities, term certain annuities and lump sums.</p>

<i>Risk Solutions</i>	<i>Longevity Reinsurance Solutions</i>	Longevity reinsurance is a risk mitigation solution for United Kingdom (“U.K.”) pension plan sponsors and U.K. insurance companies that write pension risk transfer business, converting uncertain future pension benefit obligations into a fixed stream of payments to MetLife over the duration of the contract as opposed to a lump sum at inception in typical pension risk transfer transactions.
	<i>Benefit Funding Solutions</i>	Specialized life insurance products and funding agreements designed specifically to provide solutions for funding postretirement benefits and company-, bank- or trust-owned life insurance used to finance nonqualified benefit programs for executives.
<i>Capital Markets Investment Products</i>		<ul style="list-style-type: none"> <li>• <i>Funding agreement-backed notes</i> are offered in medium term note programs, under which funding agreements are issued to special-purpose trusts that issue marketable notes in U.S. dollars or foreign currencies. The proceeds of these note issuances are used to acquire funding agreements with matching interest and maturity payment terms from certain subsidiaries of MetLife, Inc. The notes are underwritten and marketed by major investment banks’ broker-dealer operations and are sold to institutional investors.</li> <li>• <i>Funding agreement-backed commercial paper</i> is issued by a special-purpose limited liability company which deposits the proceeds under a master funding agreement issued to it by Metropolitan Life Insurance Company (“MLIC”). The commercial paper is issued in U.S. dollars or foreign currencies, receives the same short-term credit rating as MLIC and is marketed by major investment banks’ broker-dealer operations.</li> <li>• <i>Funding agreements</i> are issued by certain of our insurance subsidiaries to the Federal Home Loan Bank of New York (“FHLBNY”) and to a subsidiary of the Federal Agricultural Mortgage Corporation.</li> </ul>

**Asia**

Our Asia operations are geographically diverse encompassing both developed and emerging markets. We operate in nine jurisdictions throughout Asia, with our largest operation in Japan. We market our products and services through a range of proprietary and third-party distribution channels.

In Japan, our face-to-face channels including both career and general agency, continue to be critical to our overall distribution strategy, catering to various needs of individual retail customers. Our competitive advantage in bancassurance is based on robust distribution relationships with Japan’s very large banks, trust banks and various regional banks. Outside of Japan, our distribution strategies vary by market and leverage a combination of career and general agencies, bancassurance and direct marketing. In select markets, we also use independent brokers for retail sales and our employee sales force to sell group products.

**Major Products**

<i>Life Insurance</i>	Whole and term life, endowments, universal and variable life, as well as group life products.
<i>Accident &amp; Health Insurance</i>	Full range of accident & health products, including hospitalization, cancer, critical illness, disability, income protection and personal accident coverage.
<i>Retirement and Savings</i>	Fixed and variable annuities, as well as regular savings products.

**Latin America**

Our largest operations are in Mexico and Chile. We market our products and services through a multi-channel distribution strategy which varies by geographic region and stage of market development.

We have an exclusive and captive agency distribution network which sells a variety of individual life, accident & health, and pension products. Our direct marketing channel includes sponsors and telesales representatives selling mainly accident & health and individual life products directly to consumers. We also work with brokers and independent agents on sales of group and individual life, accident & health, group medical, dental and pension products, and worksite marketing. We also offer to government employees life and medical insurance, as well as retirement and savings, and other products.



**Major Products**

<i>Life Insurance</i>	Whole and term life, endowments, universal and variable life, as well as group life products.
<i>Retirement and Savings</i>	Fixed annuities and pension products. Fixed income annuities provide for asset distribution needs. Our savings-oriented pension products are primarily offered in Chile under a mandatory privatized social security system.
<i>Accident &amp; Health Insurance</i>	Group and individual major medical, accidental, and supplemental health products, including AD&D, hospital indemnity, medical reimbursement, and medical coverage for serious medical conditions, as well as dental products.
<i>Credit Insurance</i>	Policies designed to fulfill certain loan obligations in the event of the policyholder’s death.

**EMEA**

We operate across EMEA in both developed (Western Europe) and emerging (Central and Eastern Europe, Middle East and Africa) markets. Our largest operations are in the Gulf region, the U.K. and France. In more mature markets, we focus our strategy on our preferred market segments to play a “niche” role. We also have a strong market presence in emerging markets leveraging a multi-channel distribution strategy.

Our businesses in EMEA use captive and independent agency, independent brokerage, bancassurance, corporate solutions and direct-to-consumer distribution channels.

Major Products

<i>Life Insurance</i>	Traditional and non-traditional life insurance products, such as whole and term life, endowments and variable life products, as well as group term life programs in most markets.
<i>Retirement and Savings</i>	Fixed annuities and pension products, including group pension programs in select markets.
<i>Accident &amp; Health Insurance</i>	Individual and group personal accident and supplemental health products, including AD&D, hospital indemnity, scheduled medical reimbursement plans, and coverage for serious medical conditions. In addition, we provide individual and group major medical coverage in select markets.
<i>Credit Insurance</i>	Policies designed to fulfill certain loan obligations in the event of the policyholder’s death.

**MetLife Holdings**

This segment consists of operations relating to products and businesses that we no longer actively market in the U.S. These include variable, universal, term and whole life insurance, variable, fixed and index-linked annuities, and long-term care insurance. It also includes an in-force block of assumed variable annuity guarantees from a third party. See Note 9 of the Notes to the Consolidated Financial Statements for information on a reinsurance transaction with subsidiaries of Global Atlantic Financial Group.

## Major Products

<i>Variable, Universal and Term Life Insurance</i>	Similar to products offered by our Group Benefits segment, except that these products were historically marketed to individuals through various retail distribution channels. For a description of these products, see “— Group Benefits.”
<i>Whole Life Insurance</i>	A benefit upon the death of the insured in return for the periodic payment of a fixed premium over a predetermined period. Whole life insurance includes policies that provide a participation feature in the form of dividends. Policyholders may receive dividends in cash, or apply them to increase death benefits, increase cash values available upon surrender or reduce the premiums required to maintain the contract in-force.
<i>Variable Annuities</i>	Variable annuities provide for asset accumulation and asset distribution needs. Variable annuities allow the contractholder to allocate deposits into various investment options in a separate account, as determined by the contractholder. In certain variable annuity products, contractholders may also choose to allocate all or a portion of their account to the Company’s general account and are credited with interest at rates we determine, subject to specified minimums. Contractholders may also elect certain minimum death benefit and minimum living benefit guarantees for which additional fees are charged and where asset allocation restrictions may apply.
<i>Fixed and Indexed-Linked Annuities</i>	Fixed annuities provide for asset accumulation and asset distribution needs. Deposits made into deferred annuity contracts are allocated to the Company’s general account and are credited with interest at rates we determine, subject to specified minimums. Fixed income annuities provide a guaranteed monthly income for a specified period of years and/or for the life of the annuitant. Additionally, the Company has issued indexed-linked annuities which allow the contractholder to participate in returns from equity indices.
<i>Long-term Care</i>	Protection against the potentially high costs of long-term health care services. Generally pays benefits to insureds who need assistance with activities of daily living or have a cognitive impairment.

## Corporate & Other

Corporate & Other contains various start-up, developing and run-off businesses. Also included in Corporate & Other are: the excess capital, as well as certain charges and activities, not allocated to the segments (including external integration and disposition costs, internal resource costs for associates committed to acquisitions and dispositions and enterprise-wide strategic initiatives), interest expense related to the majority of the Company’s outstanding debt, expenses associated with certain legal proceedings and income tax audit issues, the elimination of intersegment amounts (which generally relate to investment expenses and intersegment loans bearing interest rates commensurate with related borrowings), and the Company’s investment management business (through which the Company provides public fixed income, private capital and real estate investment solutions to institutional investors worldwide).

## Policyholder Liabilities

We establish, and carry as liabilities, actuarially determined amounts that are calculated to meet policy obligations when a policy matures or is surrendered, an insured dies or becomes disabled or upon the occurrence of other covered events, or to provide for future annuity payments. Our liabilities for future policy benefits and claims are established based on estimates by actuaries of how much we will need to pay for future benefits and claims. For life insurance and annuity products, we calculate these liabilities based on assumptions and estimates, including estimated premiums to be received over the assumed life of the policy, the timing of the event covered by the insurance policy and the amount of benefits or claims to be paid. We establish liabilities for claims and benefits based on assumptions and estimates of losses and liabilities incurred. Amounts for actuarial liabilities are computed and reported on the consolidated financial statements in conformity with GAAP. For more details on policyholder liabilities see “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Summary of Critical Accounting Estimates — Future Policy Benefit Liabilities.”

MetLife, Inc.’s insurance subsidiaries, including affiliated reinsurers, establish statutory reserves under methods prescribed by the insurance laws of their respective domiciliary jurisdiction. These reserves are reported as liabilities, and we expect them to be sufficient to meet policy and contract obligations, when taken together with expected future premiums and interest at assumed rates. Statutory reserves and actuarial liabilities for future policy benefits reported under GAAP generally differ due to the difference in accounting requirements.

U.S. state insurance laws and regulations require certain MetLife entities to submit an annual opinion and memorandum of a qualified actuary. In it, the qualified actuary states that the statutory reserves and related actuarial amounts recorded in support of specified policies and contracts, and the assets supporting such statutory reserves and related actuarial amounts, adequately provide for the anticipated cash flow required to meet contractual obligations and related expenses.

Insurance regulators in many of the non-U.S. jurisdictions in which we operate require certain MetLife entities to prepare and submit a sufficiency analysis of the reserves presented in the locally required regulatory financial statements. See “— Regulation — State Insurance Regulation — Reserves and Asset Adequacy Analysis.”

## **Underwriting and Pricing**

We use a variety of underwriting and pricing management controls. Our Global Risk Management department develops product pricing standards and oversees underwriting practices in MetLife’s insurance businesses. We also regularly conduct experience studies to monitor assumptions against expectations, impose formal new product approval processes, periodically update product profitability studies, and use reinsurance to manage our exposures, as appropriate. See “— Reinsurance Activity.”

### ***Underwriting***

Our underwriters and actuaries use detailed underwriting policies, guidelines and procedures to assess and quantify insurance risks, and determine the type and the amount of risk we are willing to accept.

Insurance underwriters consider an applicant’s medical history and other factors such as financial profile, foreign travel, vocations and alcohol, drug and tobacco use. Group insurance underwriters generally evaluate the risk characteristics of the prospective insured group, but may underwrite members of a group on an individual basis for certain voluntary products and coverages. Our own employees generally perform our underwriting, but intermediaries review certain policies under guidelines established by us. Generally, we are not obligated to accept any risk or group of risks from, or to issue a policy or group of policies to, any employer or intermediary. We review requests for coverage on their merits and issue policies only after we have examined and approved the particular risk or group under our underwriting guidelines.

We periodically review all our underwriting to maintain high standards of quality and consistency. Our reinsurers generally have the right to audit our underwriting.

We use underwriting policies, guidelines, philosophies, and strategies that we intend to be competitive and suitable for the customer, the agent and us, to facilitate quality sales, and to serve our customers’ needs while supporting our financial strength and business objectives. We aim to ensure that underwriting risk levels are appropriately reflected in our product pricing.

We continually review our underwriting policies, guidelines, philosophies, and strategies in light of applicable regulations and to ensure that our policies remain competitive, support our marketing strategies and profitability goals, and otherwise remain appropriate.

### ***Pricing***

Product pricing reflects our globally consistent standards. Regional product and finance teams price all of our insurance business with oversight from Global Risk Management. We base our pricing on the expected benefits payout which we calculate through the use of assumptions for mortality, longevity, morbidity, expenses, persistency and investment returns and macroeconomic factors such as inflation. We price investment-oriented products based on factors such as investment returns, expenses, persistency, optionality, and possible variability of results.

Our pricing of certain products may include prospective and retrospective experience rating features. For prospective experience rating, we evaluate past experience to determine future premium rates and we bear all prior year gains and losses. For retrospective experience rating, we evaluate past experience to determine our cost of providing insurance for the customer in light of any features that allow us to recoup certain losses or distribute certain gains back to the policyholder based on prior years’ experience.

We base our rates for group benefit products on anticipated earnings for the book of business. We generally re-evaluate renewals annually or biannually and re-price products to reflect our experience on such products.

We generally price many of our RIS products on demand. Our pricing reflects our expected investment returns, as well as mortality, longevity and expense assumptions. RIS business is generally nonparticipating and illiquid, as policyholders have few or no options or contractual rights to cash values. However, for products with liquidity provisions, such as stable value, pricing reflects the contractholders' ability to withdraw at book value over a period of time, as well as our ability to reset rates periodically.

We generally must receive regulatory approval of rates for individual life insurance products. Such rates are highly regulated, even where we are not required to obtain advance regulatory approval. We generally renew such products annually, and they may include pricing terms that are guaranteed for a certain period of time.

We price individual disability income products based on anticipated results by occupation.

Our rates for fixed and variable annuity products are also highly regulated, and we also generally must receive regulatory approval of them. Such products generally include penalties for early withdrawals and policyholder benefit elections to tailor benefits to policyholder needs. We periodically reevaluate the costs of such options and adjust pricing levels on our guarantees. We may also reevaluate the type and level of guarantee features we offer.

We continually review our pricing guidelines in light of applicable regulations and to ensure that our policies remain competitive, support our marketing strategies and profitability goals, and otherwise remain appropriate.

## **Reinsurance Activity**

We enter into reinsurance agreements primarily as a purchaser of reinsurance for our various insurance products. We also provide reinsurance for some third parties' insurance products. We participate in reinsurance in order to limit losses, minimize exposure to significant risks, and provide additional capacity for future growth. Our reinsurance covers individual risks, group risks, or defined blocks of business, primarily on a coinsurance, yearly renewable term, excess, or catastrophe excess basis. The extent of our retained risks depends on our risk evaluation, subject, in certain circumstances, to maximum retention limits based on our risk appetite. We also cede first dollar mortality risk under certain contracts. We reinsure both mortality and other risks. We obtain reinsurance for capital requirement purposes and when its economic impact makes it appropriate to do so.

We also reinsure for risk and capital management purposes among affiliates, including affiliated U.S. captive reinsurers and affiliated non-U.S. reinsurers. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — The Company — Capital — Affiliated Reinsurance Transactions."

For information regarding reinsurance by segment, our catastrophic coverage, and ceded reinsurance recoverable balances, included in premiums, reinsurance and other receivables on the consolidated balance sheets, see Note 9 of the Notes to the Consolidated Financial Statements.

## **Regulation**

### ***Overview***

In the U.S., state regulators primarily regulate our life insurance companies, with additional federal regulation of some of our products and services. The insurance holding company laws of various U.S. jurisdictions apply to MetLife, Inc. and its U.S. insurance subsidiaries. Furthermore, consumer protection laws, privacy, anti-money laundering, securities, commodities, broker-dealer and investment adviser regulations, environmental and unclaimed property laws and regulations, and the Employee Retirement Income Security Act of 1974 ("ERISA") also apply to some of MetLife's operations, products and services.

Outside of the U.S., insurance regulatory authorities in the jurisdictions in which our insurance businesses are located or operate principally regulate those businesses. In addition, securities, pension, and other authorities oversee our investment and pension companies where they operate. Regulators also subject our non-U.S. insurance businesses to current and developing solvency regimes, which impose various capital and other requirements. Additionally, regulators may enhance their capital standards and supervision, and impose additional non-U.S. and global regulatory initiatives.

Set forth below is a summary of the material regulatory frameworks applicable to MetLife, Inc. and its subsidiaries.

### ***U.S. Federal Initiatives***

U.S. federal initiatives can affect our business in a variety of ways, including regulation of financial services, securities, derivatives, pensions, health care, money laundering, foreign sanctions and corrupt practices, and taxation.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”) increased the potential federal role in regulating businesses such as ours, including in the following ways:

- The Financial Stability Oversight Council (“FSOC”) may designate certain financial companies that pose a threat to U.S. financial stability as non-bank systemically important financial institutions (“non-bank SIFI”) subject to supervision by the Board of Governors of the Federal Reserve System (“Federal Reserve Board”) and the Federal Reserve Bank of New York (collectively with the Federal Reserve Board, the “Federal Reserve”).
- The Federal Insurance Office (“FIO”) within the Department of the Treasury may participate in the negotiations of international insurance agreements with foreign regulators for the U.S., collect information about the insurance industry, and recommend prudential standards.
- If an insurance holding company such as MetLife, Inc. or another non-insurance financial institution were to become insolvent or were in danger of defaulting on its obligations, and regulators determined that this would have serious adverse effects on financial stability in the U.S., then the Federal Deposit Insurance Corporation (“FDIC”) may liquidate such a company as receiver. In that case, the Bankruptcy Code, which ordinarily governs liquidations, would not apply. The FDIC’s purpose would be to mitigate the systemic risks the institution’s failure poses. This is a different objective from that of a bankruptcy trustee under the Bankruptcy Code. In such a liquidation, the holders of such company’s debt could in certain respects be treated differently than under the Bankruptcy Code. The FDIC has established rules relating to the priority of creditors’ claims and the potentially dissimilar treatment of similarly situated creditors. These provisions could apply to some financial institutions whose outstanding debt securities we hold in our investment portfolios. However, state insurance laws would continue to apply to an insurance company resolution.
- Dodd-Frank provisions may also affect the investments and investment activities of MetLife, Inc. and its subsidiaries, including imposing federal regulation of such activities.

In 2023, the FSOC adopted final guidance that establishes a new process for designating certain financial companies as non-bank SIFIs. The revised approach is based on risk factors contained in a new analytic framework, including leverage, liquidity risk and maturity mismatch, interconnections, operational risks, complexity, or opacity, inadequate risk management, concentration, and destabilizing activities, regardless of whether those risks arise from activities, firms, or otherwise. Under the guidance, the FSOC is no longer required to conduct a cost-benefit analysis and an assessment of the likelihood of a non-bank financial company’s material financial distress before considering the designation of the company. The revised process could have the effect of simplifying and shortening FSOC’s procedures for designating certain financial companies as non-bank SIFIs, thereby subjecting such companies to additional supervision, examination, and regulation. Any such designation would create uncertainties for the non-bank financial company regarding the likelihood, frequency or impact of any formal or informal regulatory or supervisory actions or inquiries; the scope of applicable regulatory or supervisory requirements or restrictions and the related compliance measures and internal controls; and the permissibility of certain activities or transactions. It is difficult to predict the potential impact of these changes.

The Competitive Health Insurance Reform Act amended the McCarran-Ferguson Act such that U.S. antitrust laws now apply to the “business of health insurance” and U.S. regulatory authority expanded accordingly. We expect regulatory oversight and litigation risk for U.S. products, including dental and vision, to increase. See “Risk Factors — Regulatory and Legal Risks — Changes in Laws or Regulation, or in Supervisory and Enforcement Policies, May Reduce Our Profitability, Limit Our Growth, or Otherwise Adversely Affect Us.”

### ***Health Care Regulation***

The U.S. excise tax known as the “health insurer fee” was in force for the 2020 calendar year, but no longer applies. However, demand for and pricing of products remain subject to tax uncertainty. Federal health care statutes and related regulation have imposed increased and unpredictable costs on certain products and may have additional adverse effects. They have also harmed our competitive position, as these rules have a disparate impact on our products compared to products offered by our not-for-profit competitors. See “Risk Factors — Regulatory and Legal Risks — Changes in Laws or Regulation, or in Supervisory and Enforcement Policies, May Reduce Our Profitability, Limit Our Growth, or Otherwise Adversely Affect Us.”

### ***U.S. Insurance Holding Company Regulation***

We are subject to U.S. state insurance holding company laws and regulations that are generally based on the National Association of Insurance Commissioners’ (“NAIC”) Insurance Holding Company System Regulatory Act and Regulation (“Model Holding Company Act and Regulation”). These vary by jurisdiction, but generally require a controlled insurance company (i.e., insurers that are subsidiaries of insurance holding companies) to register and file reports with state regulatory authorities on its capital structure, ownership, financial condition, intercompany transactions and general business operations. State holding company laws require the ultimate controlling person of a U.S. insurer to file an annual enterprise risk report with the lead state of the insurance holding company system. This report identifies risks likely to have a material adverse effect upon the financial condition or liquidity of the insurer or its insurance holding company system as a whole. Each of our insurance subsidiaries’ domiciliary states has enacted laws to implement these requirements. The holding company laws also authorize state insurance commissioners to act as global group-wide supervisors for internationally active insurance groups (“IAIGs”). All states have adopted laws and regulations enhancing group-wide supervision.

### ***State Insurance Regulation***

Each of MetLife’s U.S. insurance subsidiaries is licensed and regulated in each jurisdiction where it conducts insurance business. The extent of insurance regulation in such jurisdictions varies, but most jurisdictions regulate the financial aspects and business conduct of insurers through broad administrative powers, including with respect to: (i) licensing companies and agents to transact business; (ii) regulating certain premium rates; (iii) reviewing and approving certain policy forms, including required policyholder disclosures; (iv) establishing statutory capital and reserve requirements and solvency standards; and (v) restricting the payment of dividends and other transactions between affiliates.

Each of our insurance subsidiaries is required to file reports, generally including detailed annual financial statements, with insurance regulators in each of the jurisdictions in which it does business. Such authorities will periodically examine their books, records, accounts, and business practices. In 2019, MetLife entered into a consent order with the New York State Department of Financial Services (“NYDFS”) relating to unclaimed property following an open market conduct quinquennial exam, under which it paid a fine and customer restitution, and submitted remediation plans for approval. Except for this consent order or as described in Note 24 of the Notes to the Consolidated Financial Statements, during the years ended December 31, 2023, 2022 and 2021, MetLife did not receive any material adverse findings resulting from state insurance department examinations of its insurance subsidiaries.

Insurance standard-setting and regulatory support organizations, including the NAIC, encourage insurance supervisors to establish Supervisory Colleges. These organizations facilitate cooperation and coordination among insurance supervisors to enhance their understanding of the risk profile of U.S.-based insurance groups with international operations. MetLife’s lead state regulator, the NYDFS, annually chairs Supervisory College meetings that MetLife’s key U.S. and non-U.S. regulators attend.

### ***Surplus and Capital***

Insurers must maintain their capital and surplus at or above minimum levels prescribed by the laws of their respective jurisdictions. Regulators generally have discretionary authority to limit or prohibit an insurer’s sales to policyholders if the insurer has not maintained minimum surplus or capital or if they find that the further transaction of business would be hazardous to policyholders. For developments that could affect our ratio of free cash flow to adjusted earnings results, and thus our surplus and capital, see “Risk Factors.”

### ***Dividend Restrictions***

State insurance statutes typically restrict the dividends or other distributions an insurance company subsidiary may pay to its parent companies and limit the transactions between an insurer and its affiliates. Dividends in excess of prescribed limits and transactions above a specified size between an insurer and its affiliates require the approval of the domiciliary insurance regulator. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — MetLife, Inc. — Liquidity and Capital Sources — Dividends from Subsidiaries.” See also “Dividend Restrictions” in Note 19 of the Notes to the Consolidated Financial Statements for further information regarding such limitations.

### *Risk-Based Capital*

Most of our U.S. insurance subsidiaries are subject to risk-based capital (“RBC”) requirements. RBC is calculated annually based on a formula that applies factors to various asset, premium, claim, expense and statutory reserve items, taking into account asset, insurance, interest rate, and market and business risk characteristics. Regulators use the RBC formula as an early warning tool to identify insurers that may be inadequately capitalized for purposes of initiating regulatory action. See “Statutory Equity and Income” in Note 19 of the Notes to the Consolidated Financial Statements and “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — The Company — Capital — Statutory Capital and Dividends.”

We calculate our internally defined “Statement-Based Combined RBC Ratio” by dividing the sum of total adjusted capital for MetLife, Inc.’s principal U.S. insurance subsidiaries, excluding American Life Insurance Company (“American Life”), by the sum of company action level RBC for such subsidiaries, including annual letters on Special Considerations (each, an “SCL”), as discussed below. Our Statement-Based Combined RBC Ratio was in excess of 380% and in excess of 340% at December 31, 2023 and 2022, respectively. By contrast, we calculate an “NAIC-Based Combined RBC Ratio” based on such subsidiaries’ statutory-based financial statements and NAIC capital and reserving standards. This NAIC-Based Combined RBC Ratio was in excess of 400% and in excess of 360% at December 31, 2023 and 2022, respectively.

NAIC developments related to the RBC framework are described below.

- **RBC Revisions.** The NAIC has approved RBC revisions for corporate bonds, real estate equity and longevity risk that took effect at year-end 2021, which had a modest net positive RBC impact on us. The NAIC has also approved an RBC update for mortality risk that took effect at year-end 2022, which had a modest positive impact on our reported RBC ratios. In 2023, the NAIC increased the RBC factor for structured security residual tranches from 30% to 45%, which will be effective for year-end 2024 RBC filings and is expected to have an immaterial RBC impact on us. The NAIC is currently reviewing the RBC treatment of collateralized loan obligations (“CLOs”). See “— Investments” for additional information.
- **Bond Project.** The NAIC has undertaken a principles-based bond project, which includes consideration of factors to determine whether an investment in an asset-backed security qualifies for reporting on an insurer’s statutory financial statement as a bond on Schedule D-1 as opposed to Schedule BA (other long-term investment assets), the latter of which has a higher risk charge. The NAIC adopted a new, principles-based definition of a bond that will be effective in certain statutory accounting guidance as of January 1, 2025. This will result in new reporting and disclosure requirements and may lead to categorical changes in the regulatory reporting and RBC charges associated with these investments.
- **Interest Maintenance Reserve.** In 2023, the NAIC adopted an interim solution with regard to the treatment of an insurer’s negative interest maintenance reserve (“IMR”) balance, which may occur in a rising interest rate environment and can impact how accurately the insurer’s surplus and financial strength are captured in its statutory financial statements due to lower surplus and RBC ratios. The NAIC’s interim statutory accounting guidance is effective until December 31, 2025 and permits an insurer with a company action level RBC ratio greater than 150% (or an authorized control level RBC ratio greater than 300%) to admit negative IMR up to 10% of its general account capital and surplus, subject to certain restrictions and reporting obligations. The NAIC is developing a long-term solution for this issue.
- **Group Capital Calculation.** The NAIC’s group capital calculation (“GCC”) tool uses an RBC aggregation methodology for all entities within an insurance holding company system, including non-U.S. entities. The NAIC amended the Model Holding Company Act and Regulation to adopt the GCC Template and Instructions and to implement the annual GCC filing requirement with an insurance group’s lead state regulator. These amendments have been adopted by the majority of states, including New York, our lead state regulator, and most of our U.S. subsidiaries’ domiciliary states. We cannot predict what impact this regulatory tool may have on our business.

### *Investments*

State insurance laws and regulations limit the amount of investments that our U.S. insurance subsidiaries may have in certain asset categories, such as below investment grade fixed income securities, real estate equity, other equity investments, and derivatives, and require diversification of investment portfolios. Investments exceeding regulatory limitations are not admitted for purposes of measuring surplus. In some instances, laws require us to divest any non-qualifying investments.

The NAIC is focused on enhancing regulatory oversight of insurers' investments in complex assets, such as structured securities. In connection with evaluating the risks of investing in leveraged loans and CLOs, the NAIC adopted an amendment to the Purposes and Procedures Manual in 2023. Under the amendment, the NAIC Structured Securities Group ("SSG") will assign risk weights to CLOs based on its own modeling, as opposed to credit ratings. The SSG will model CLO investments and evaluate tranche level losses across all debt tranches under a series of calibrated and weighted collateral stress scenarios to assign NAIC designations that minimize RBC arbitrage. The NAIC's goal is to ensure that the aggregate RBC factor for owning all tranches of a CLO is similar to that required for owning all of the underlying loan collateral. We expect insurers to begin reporting the financially modeled NAIC designations for CLOs with their year-end 2024 financial statement filings. It is possible that the NAIC may propose new regulations or changes to statutory accounting principles regarding CLOs.

In addition, many of our non-U.S. insurance subsidiaries and pension companies are subject to other investment laws and regulations.

### ***Reserves and Asset Adequacy Analysis***

The NAIC's valuation manual contains a principle-based approach to the calculation of life insurance reserves. Principle-based reserving, which is designed to better address reserving for life insurance and annuity products, has been adopted by all states.

We use capital markets solutions to finance a portion of our statutory reserve requirements for several products, such as level premium term life products and MLIC's closed block, which are subject to the NAIC's Valuation of Life Insurance Policies Model Regulation (commonly referred to as Regulation XXX), and universal and variable life policies with secondary guarantees subject to NAIC Actuarial Guideline 38 (commonly referred to as Guideline AXXX). The NAIC's Actuarial Guideline 48 ("AG 48") enhances the statutory financial statement disclosure of an insurer's use of captives and narrows the types of assets permitted to back statutory reserves that are required to support the insurer's future obligations. The NAIC's Term and Universal Life Insurance Reserve Financing Model Regulation codifies the same substantive requirements as AG 48. States must either adopt the model regulation or use AG 48 to satisfy the NAIC accreditation requirement.

Each year a qualified actuary must submit an opinion stating that the statutory reserves of our U.S. insurance subsidiaries, including affiliated captive reinsurers, make adequate provision, according to accepted actuarial standards of practice, for the anticipated cash flows required by the contractual obligations and related expenses of such subsidiary. We may increase reserves in order to submit this opinion without qualification.

In addition, the NYDFS issues SCL to New York-licensed insurance companies, including MLIC, that affect year-end asset adequacy testing. An SCL could mandate assumption changes that would require us to increase, or influence our decision to release, certain asset adequacy reserves, which could materially impact our statutory capital and surplus. See "Statutory Equity and Income" in Note 19 of the Notes to the Consolidated Financial Statements.

Many of our non-U.S. insurance operations must also analyze the adequacy of their statutory reserves. In most of those cases, a locally qualified actuary must submit an analysis of the likelihood that the reserves make adequate provision for the insurer's associated contractual obligations and related expenses. Regulatory and actuarial analytic standards vary widely.

### ***Adjusting Non-Guaranteed Elements of Life Insurance Products***

New York's Insurance Regulation 210 establishes standards for the determination and any readjustment of non-guaranteed elements ("NGEs") that may vary at the insurer's discretion for life insurance policies and annuity contracts delivered or issued for delivery in New York. NGEs include cost of insurance for universal life insurance policies, as well as interest crediting rates for annuities and universal life insurance policies. The regulation requires insurers to notify policyholders in advance of any change in NGEs that is adverse to policyholders and, with respect to life insurance, to notify the NYDFS prior to any such changes. The regulation also requires insurers to inform the NYDFS annually of any changes adverse to policyholders made in the prior year. The regulation generally prohibits insurers from increasing profit margins for in-force policies or adjusting NGEs in order to recoup past losses.



### **Guaranty Associations**

Many jurisdictions in which our insurance subsidiaries transact business require life and health insurers to participate in guaranty or similar associations, which pay insurance benefits owed by insolvent or failed insurers. Guaranty associations levy assessments, up to prescribed limits, on all member insurers in a particular jurisdiction on the basis of the proportionate share of the premiums written by member insurers in the lines of business in which the impaired, insolvent or failed insurer engaged. We have established liabilities for guaranty fund assessments that we consider adequate.

### ***Certain Non-U.S. Regulations***

Regulators supervise our non-U.S. insurance and pension businesses through periodic examinations of insurance company books and records, financial reporting requirements, market conduct examinations and policy filing requirements. The European Insurance and Occupational Pensions Authority along with European legislation, requires European regulators, such as the Central Bank of Ireland, to establish supervisory forums for European Economic Area (“EEA”)-based insurance groups with significant European operations, including MetLife. These forums facilitate cooperation and coordination among European supervisors to enhance their understanding of an insurance group’s risk profile.

Non-U.S. jurisdictions also restrict the amount of dividends and other distributions from subsidiaries and remittances from branches. For example, a portion of the annual earnings of our Japan operations may be repatriated each year, and may further be distributed to MetLife, Inc. as a dividend. We may determine not to repatriate profits from the Japan operations or to repatriate a reduced amount in order to maintain or improve the solvency of the Japan operations or for other reasons. In addition, the Financial Services Agency in Japan (“FSA”) may limit or not permit profit repatriations or other transfers of funds to the U.S. if such transfers would be detrimental to the solvency or financial strength of our Japan operations or for other reasons.

### **Solvency Regimes**

Our insurance business throughout the EEA is subject to the Solvency II Directive and its implementing rules. These cover the capital adequacy, risk management and regulatory reporting for insurers and reinsurers. Solvency II harmonizes insurance regulation across the European Union (“EU”). Its capital requirements are forward-looking and based on the risk profile of each individual insurance company in order to promote comparability, transparency and competitiveness.

In 2023, the EU and the U.K. signed a Memorandum of Understanding (“MoU”) on regulatory cooperation in financial services. The MoU will establish an ongoing forum for the U.K. and the EU to discuss voluntary regulatory cooperation.

The U.K. parliament will consider whether to pass a number of legislative changes to U.K. prudential insurance regulation throughout 2024. Similarly, the EU institutions have undertaken their own review of Solvency II. However, we do not expect that EEA firms will be required to adhere to any regulatory changes to Solvency II prior to 2025.

Mexico has adopted a Solvency II-type regulatory framework which imposes reserve and capital requirements and corporate governance to foster transparency. In line with the requirements of the local Solvency II, insurance companies calculate and report their capital requirement using a standard formula designed by the local regulators (“CNSF”). In addition, as required, certain MetLife entities must submit annual Own Risk and Solvency Assessment (“ORSA”) reports to the CNSF on an ongoing basis.

In Chile, the law implementing Solvency II-like regulation continues in the studies stage. The implementation date for the new solvency regime has not yet been set; however, it could be in force within four years after the final regulation is published. MetLife Chile must also submit an annual ORSA report to the regulator.

The Brazilian insurance regulator has established an insurance framework for minimum capital requirements based on risk, criteria for investment activities, a formal risk management function, and a formal enterprise risk management (“ERM”) framework.

Japanese law requires insurers to maintain solvency standards to protect policyholders and to support their own financial strength. Most Japanese life insurers maintain a solvency margin ratio well in excess of the legally mandated minimum. In addition, we expect Japan to adopt an economic value-based solvency regime in 2025.

In China, the business of our joint venture (as well as the industry) has implemented China Risk Oriented Solvency System (“C-ROSS”), a risk-based solvency regime. Like Solvency II, C-ROSS focuses on risk management and has three pillars (strengthen quantitative capital requirements, enhance qualitative supervision and establish a governance and market discipline process). In 2021, the China Banking and Insurance Regulatory Commission (“CBIRC”) issued C-ROSS Phase II rules, further enhancing the C-ROSS system. CBIRC has adopted a transition period approach based on actual circumstances, with full implementation to be in place by no later than 2025. In 2023, China’s State Council created the National Administration for Financial Regulation (“NAFR”) to oversee regulation of the financial sector. NAFR has replaced the CBIRC.

The Korea Financial Supervisory Service implemented a new solvency system in 2023. This system reflects the International Association of Insurance Supervisors (“IAIS”) global Insurance Capital Standard and incorporates certain product portfolio and other features specific to the Korean market and includes mark-to-market valuation.

### ***IAIS***

The IAIS is a voluntary membership association of insurance supervisors and regulators. It is the global standard-setting body responsible for developing and assisting in the implementation of principles, standards and guidance, as well as supporting material, for the supervision of the insurance sector. The IAIS is a member of the Financial Stability Board (“FSB”), an international entity established to coordinate, develop and promote regulatory, supervisory and other financial sector policies in the interest of financial stability. The IAIS participates in the FSB’s initiative to identify and manage systemic risk globally. The IAIS has adopted a holistic framework for the assessment and mitigation of systemic risk in the global insurance sector (the “Holistic Framework”). The framework monitors vulnerabilities at jurisdictional and global levels to address any such risk through the application of enhanced supervisory measures based on existing insurance core principles and the common framework for supervision of IAIGs. In 2022, the FSB endorsed the Holistic Framework and discontinued the designation of global systemically important insurers.

An IAIS proposal becomes effective when it is enacted through legislation or regulation in the applicable jurisdiction. Accordingly, the impact on MetLife, Inc. of the IAIS’s global proposals is uncertain.

### ***Cybersecurity, Privacy and Data Protection Regulation***

We are subject to a variety of laws and regulations at the local, state, federal and international level regarding the collection, storage, use, retrieval, processing, disclosure, protection and security of personal information, including health-related and customer information and employee data. Various local, state and federal laws in the U.S. and around the world require companies such as ours to inform individuals of their privacy rights. Our personal information processing practices further dictate whether, how, and under what circumstances we may transfer, process or receive personal information, the interpretation and scope of which are constantly evolving and vary significantly from jurisdiction to jurisdiction. We are also subject to laws and regulations governing the security and integrity of our information systems and the information stored therein, many of which require the implementation and maintenance of a comprehensive information security program, and require notification to affected individuals and regulators in the event of security breaches and other cyber incidents affecting our information systems or the personal or non-public information stored thereon. Given growing cybersecurity risks and threats posed to information and financial systems by nation-states, terrorist organizations and independent criminal actors in recent years, insurance and other regulators have increased their focus on cybersecurity practices, and regulatory and legislative activity in the areas of privacy, data protection and cybersecurity continues to increase worldwide. Below, we highlight some of the key data protection and cybersecurity laws and regulations to which we are subject.

## ***Cybersecurity***

The NYDFS promulgated the New York Cybersecurity Requirements for Financial Services Companies (the “Regulation”) to promote the protection of customer information and information technology systems by establishing and regulating cybersecurity requirements for banking and insurance entities under the NYDFS’s jurisdiction. In general, the Regulation requires covered entities, such as our insurance entities licensed in New York, to assess risks associated with their information systems and establish and maintain a cybersecurity program designed to assess those risks and protect the confidentiality, integrity and availability of such systems and data. Specifically, the Regulation provides for, among other things: (i) technical safeguards and controls relating to the governance framework for a cybersecurity program; (ii) risk-based policies, procedures and minimum standards for technology systems for data protection; (iii) minimum standards for cyber breach responses, including notice to the NYDFS of certain material events; (iv) designation of a Chief Information Security Officer (“CISO”) and other qualified cybersecurity personnel; (v) oversight of third party service providers with access to the information systems and nonpublic personal information of covered entities, including via implementation of written policies and procedures to evaluate the third party service provider’s cybersecurity practices; and (vi) identification and documentation of material deficiencies, remediation plans and annual certifications of regulatory compliance. Covered entities that fail to comply with the Regulation may be subject to enforcement actions brought by the NYDFS, the result of which could lead to civil penalties, and other legal and reputational costs.

In late 2023, the NYDFS adopted amendments to the Regulation following several public comment periods on exposure drafts. The amendments include significant changes, such as: (a) implementing additional governance and oversight measures, including that a senior governing body (e.g., the board of directors) must have sufficient understanding of cybersecurity-related matters and regularly review management reports about cybersecurity matters; (b) expanding the types of cybersecurity events that require timely notification to the NYDFS; (c) mandating notifications to the NYDFS within 24 hours of a covered entity’s cyber-ransom payment; and (d) requiring enhancements to a covered entity’s written policies and procedures related to remote access, vulnerability management, data retention and access privileges. The majority of the new requirements become effective on April 29, 2024. We cannot predict what effect the amended Regulation will have on our business or compliance costs.

The NAIC’s Insurance Data Security Model Law (the “Cybersecurity Model Law”) requires insurers and other entities licensed by a state insurance department to develop, implement and maintain a risk-based information security program. The Cybersecurity Model Law also establishes standards for data security and for investigation of and notification to insurance commissioners of cybersecurity events involving unauthorized access to, or the misuse of, certain nonpublic information. Several states have adopted the Cybersecurity Model Law, including four of our insurance subsidiaries’ domiciliary states, and more may adopt it in the future, requiring further compliance and oversight efforts. Such compliance efforts may present an increasing demand on our systems and resources, and require significant new and ongoing investments, including investments in compliance processes, personnel, and technical infrastructure.

## ***Privacy and Data Protection***

In the U.S., we are subject to state laws, which impose certain obligations on the processing of personal information and provide consumers specific rights to control their personal information. For instance, the California Consumer Privacy Act (“CCPA”), which applies to certain portions of our business, requires covered companies to provide disclosures to California consumers about such companies’ data collection, use and sharing practices and gives California residents expanded rights with respect to the processing of their personal information. In 2020, the CCPA was amended by the California Privacy Rights Act, which took effect in most material respects in 2023 and imposes additional rights and obligations. While a significant portion of our business is exempted from the CCPA’s specific requirements, the Health Insurance Portability and Accountability Act and the insurance laws of several states to which we are subject grant similar rights to insureds, including the right to request copies of their personal information that a company has collected.

Several other states either have proposed or adopted new comprehensive privacy laws, which may apply to certain portions of our business. However, some of these state laws (such as those enacted in Virginia, Colorado, Connecticut, and Utah) include broad entity-wide exemptions for financial institutions. The NAIC is also developing a new consumer privacy model law that will likely be completed in 2024. Additionally, a draft of a new federal privacy bill, the American Data Privacy and Protection Act (“ADPPA”), was introduced in 2022 with the aim of harmonizing and improving federal data protection legislation. The ADPPA was not enacted during the last Congress, but it or similar federal legislation may be enacted in the future.

Outside of the U.S., our subsidiaries are subject to various data protection regimes, including the General Data Protection Regulation (EU) 2016/679 (“GDPR”), which became effective in May 2018, and applies to entities established in the EU, as well as to entities not established in the EU, that target goods or services to EU data subjects, or that monitor consumer behavior that takes place in the EU. The GDPR imposes strict requirements for controllers and processors of personal data and on transfers of personal data outside of the EEA to countries which have not been deemed “adequate” by the European Commission.

Following the U.K.’s exit from the EU, data privacy law in the U.K. includes the GDPR as retained in U.K. law. The interpretation of the U.K. GDPR may eventually start to differ from the GDPR, and ensuring compliance with each is and will remain an ongoing commitment that involves substantial costs. We are also subject to increasingly restrictive laws in other jurisdictions that address and impose strict requirements on cross-border data transfers, including, for example, China’s Personal Information Protection Law.

The above laws, and other similar laws that may be passed, may require us to adapt our practices and divert resources from other initiatives and projects to address such evolving compliance and operational requirements. Moreover, despite our efforts, governmental authorities or others may assert that our business practices or that of our vendors fail to comply with such requirements, and if we or they are found to violate any such laws, we may incur substantial fines or damages, have to change our business practices, or face reputational harm, any of which could have an adverse effect on our business.

### ***Innovation and Technology***

As a result of increased innovation and technology in the insurance sector, the NAIC and insurance regulators are focused on the use of “big data” techniques, such as the use of artificial intelligence (“AI”), machine learning and automated decision-making. In 2023, the NAIC’s Innovation, Cybersecurity and Technology (H) Committee (the “(H) Committee”) adopted the Model Bulletin on the Use of Artificial Intelligence Systems by Insurers (the “AI Bulletin”) after exposing a draft for comment. The AI Bulletin outlines how insurance regulators should govern the development, acquisition and use of AI technologies, as well as the types of information that regulators may request during an investigation or examination of an insurer in regard to AI systems. In 2024, the (H) Committee plans to form a new task force that will be charged with creating a regulatory framework for the oversight of insurers’ use of third-party data and models.

Further, the NAIC and state insurance regulators have been focused on addressing unfair discrimination in the use of consumer data and technology, and some states have passed laws targeting unfair discrimination practices. For instance, in 2021, Colorado enacted a law which prohibits insurers from using external consumer data and information sources (“ECDIS”), as well as algorithms or predictive models that use ECDIS, in a way that unfairly discriminates based on race, color, national or ethnic origin, religion, sex, sexual orientation, disability, gender identity or gender expression. In 2023, Colorado adopted the first legally binding regulation requiring life insurers to adopt a governance and risk management framework for the use of AI, machine learning and other technologies that utilize “external consumer data” in connection with individual life insurance policies. It is expected that Colorado will also promulgate governance and testing regulations for other lines of insurance. Similarly, in January 2024, the NYDFS released for public comment a proposed circular letter focused on how insurers should develop and manage their use of external consumer data and AI systems in underwriting and pricing so as not to harm consumers.

We expect big data to remain an important issue for the NAIC and state regulators. We cannot predict which insurance regulators will adopt the AI Bulletin, or what, if any, changes to laws or regulations may be enacted with regard to “big data” or AI technologies. We also expect legislators and regulators outside of the U.S. to enact laws and regulations with respect to big data and AI that will apply to our businesses. For example, in 2023, the European Council and the European Parliament reached a provisional agreement on the Artificial Intelligence Act, which if enacted, will ban certain “high risk” AI while boosting innovation and seeking to ensure fundamental rights are not infringed by the technology. We continue to monitor the developments of the Artificial Intelligence Act and other governmental initiatives around the world, particularly in jurisdictions where we operate.

### ***Standards of Conduct, ERISA, Fiduciary Considerations, and Other Pension and Retirement Regulation***

We provide products and services to certain employee benefit plans that are subject to ERISA and/or Section 4975 of the Internal Revenue Code of 1986, as amended (the “Code”). ERISA and the Code impose restrictions, including fiduciary duties to perform solely in the interests of ERISA plan participants and beneficiaries, and to avoid prohibited non-exempt transactions. The applicable provisions of ERISA and the Code are subject to enforcement by the U.S. Department of Labor (the “DOL”), the Internal Revenue Service (“IRS”) and the Pension Benefit Guaranty Corporation.

The prohibited transaction rules of ERISA and the Code generally restrict the provision of investment advice to ERISA plans and participants and to Individual Retirement Accounts (“IRAs”) (and certain other arrangements) if the investment recommendation results in fees paid to an individual advisor, the firm that employs the advisor or their affiliates that vary according to the investment recommendation chosen, unless an exemption or exception is available. Similarly, without an exemption or exception, fiduciary advisors are prohibited from receiving compensation from third parties in connection with their advice. ERISA also affects certain of our in-force insurance policies and annuity contracts, as well as insurance policies and annuity contracts we may sell in the future.

In 2020, the DOL released the final version of the prohibited transaction exemption (“PTE”) 2020-02 to allow investment advice fiduciaries to receive compensation without violating ERISA, subject to impartial conduct standards and disclosure obligations aligned with Securities and Exchange Commission (the “SEC”) rules. In the preamble to PTE 2020-02, the DOL also provided its interpretation of the five-part test used to determine whether a person is acting as an ERISA investment advice fiduciary. PTE 2020-02 became effective in 2021. In 2023, the DOL again proposed a regulation to change the definition of “fiduciary” for purposes of the ERISA and parallel provisions of the Code when a financial professional, including an insurance producer, provides investment advice, and to amend various existing PTEs that financial professionals rely on when making recommendations. In November 2023, the DOL issued a proposed revised version of the five-part test, proposed amendments to PTE 2020-02, and proposed amendments to other PTEs, all of which relate to the provision of investment advice under ERISA. However, those proposed amendments are subject to notice and comment and will not be finalized for several months.

Federal and state regulators have adopted standards of conduct when recommending securities, including variable insurance products. The SEC’s Regulation Best Interest requires broker-dealers to act in the best interest of retail consumers when recommending account types, securities transactions or investment strategies involving securities, including recommendations to IRA owners, as well as non-benefit plan retail customers. In addition, the Financial Industry Regulatory Authority (“FINRA”) rules impose requirements on broker-dealers relating to the sale of variable insurance products.

State regulators and legislatures have proposed measures that would make broker-dealers, sales agents, and investment advisers and their representatives subject to a fiduciary duty when providing products and services to customers. The North American Securities Administrators Association has proposed a model rule regarding broker-dealer conduct that states might seek to adopt. Although Regulation Best Interest does not include a private right of action, some of the state proposals and adopted regulations would allow for a private right of action. As a result of these developments, it is possible that it may become more costly to provide and distribute our products and services in the states subject to such rules, and that we might be subject to additional litigation and regulatory investigations regarding our compliance with those rules.

The SECURE 2.0 Act of 2022 introduced new requirements for retirement plan sponsors that are intended to expand coverage, increase savings, preserve income, and simplify plan rules and administrative procedures; and directed the DOL to review its current interpretive bulletin regarding ERISA plan sponsors’ selection of annuity providers for purposes of transferring plan sponsor benefit plan liability to such annuity providers. Such review could result in the DOL’s imposition of new or different requirements on plan sponsors or on annuity providers such as MLIC and Metropolitan Tower Life Insurance Company (“MTL”), or could make such selection process more difficult for the parties involved.

In 2020, the Chilean Congress approved two bills, each of which allowed individuals to withdraw up to 10% of pension accounts or the account balance if it is below a certain amount. In 2021, the Chilean Congress approved a third bill allowing for additional withdrawals of pension funds which also required insurance companies to advance payments of up to 10% of the reserves allocated to a customer’s annuity. Since then, bills allowing additional withdrawals and a second advance payment of annuities have been rejected.

In 2022, the government sent a major pension reform bill to the Chilean Congress which included a proposal to limit private pension administrators to asset management and end their administration of mandatory pension accounts, among other significant changes. In 2023, the government introduced certain amendments to the bill in an effort to continue advancing the bill for approval by the Chilean Congress. The impact of any such pension reforms will depend on the final measures adopted, and in some cases could have an adverse effect on our Chilean pension business.

### ***Management of Climate Risk***

Climate risk has come under increased scrutiny by regulators and the NAIC. In New York, the NYDFS expects both New York domestic insurers, such as MLIC, and foreign authorized insurers, such as our other insurance subsidiaries licensed in New York, to manage material climate risks by taking actions that are proportionate to the nature, scale and complexity of their businesses. However, the NYDFS issued separate guidance for New York domestic insurers, which contains more detailed expectations, such as (i) ensuring the board of directors understands relevant climate risks; (ii) performing regular reviews of the insurer's procedures that are designed to manage climate risks; (iii) using scenario analysis to inform the insurer's business strategies and risk assessment; and (iv) incorporating material climate risks into its financial risk management (e.g., ERM and ORSA). The guidance states that the NYDFS will issue further guidance on the timing for implementation of certain of these expectations. In addition, New York's regulation governing ERM, which applies to New York domestic and foreign authorized insurers, was amended to require an insurance group's ERM function to address certain additional risks, including climate change risk.

The NAIC has adopted a new standard for insurance companies to report their climate-related risks as part of its annual Climate Risk Disclosure Survey, which applies to insurers that meet the reporting threshold of \$100 million in countrywide direct premium and are licensed in one of the participating jurisdictions. The new disclosure standard is consistent with the international Task Force on Climate-Related Financial Disclosures' framework for reporting climate-related financial information.

Pursuant to its authority under Dodd-Frank, the FIO is also assessing how the insurance sector may mitigate climate risks and help achieve national climate-related goals. In 2023, the FIO released a report which evaluates climate-related issues and urges insurance regulators to adopt climate-related risk-monitoring guidance in order to enhance their regulation and supervision of insurers.

The SEC is also continuing its focus on climate, and environmental, social and governance ("ESG") risks and opportunities and has published its rulemaking list which contains several ESG-related rulemakings that the SEC is considering. In 2022, the SEC proposed rules requiring registrants to provide additional climate-related information in their registration statements and annual reports, including in their financial statements. The proposal sets forth proposed rules for disclosure of climate-related risks, material impacts, governance, risk management, financial statement metrics, greenhouse gas emissions, attestation of emissions disclosures, and targets and goals. In 2022, the SEC also proposed rules requiring registered investment companies, business development companies, and registered and certain unregistered investment advisers to disclose in their fund prospectuses, annual reports and Form ADV information about how funds and advisers incorporate ESG factors into their investment strategies.

In 2023, California adopted laws establishing climate disclosure and climate-related financial risk reporting requirements which apply to companies doing business in California that meet applicable revenue thresholds. Also in 2023, California adopted a law establishing disclosure requirements for entities operating within California that market, sell, purchase, or use voluntary carbon offsets, as well as those that make claims of achieving net zero emissions or carbon neutrality that operate within and make such claims within the state.

The EU Corporate Sustainability Reporting Directive ("CSRD") requires in-scope companies to report on (i) how sustainability issues might create financial risks for the company; and (ii) the company's impacts on people and the environment. CSRD applies on a staggered basis to companies, over a multi-year period, with the first reports due in 2025 in respect of the 2024 financial year. MetLife's largest insurance subsidiary in Europe is in scope for this first phase.

### ***Consumer Protection Laws***

As part of Dodd-Frank, Congress established the Consumer Financial Protection Bureau ("CFPB") to supervise and regulate institutions that provide certain financial products and services to consumers. Although the consumer financial services subject to the CFPB's jurisdiction generally exclude insurance business of the kind in which we engage, the CFPB does have authority to regulate non-insurance consumer services we provide. Consumer protection laws in non-U.S. jurisdictions may also affect us.

### ***Derivatives Regulation and Clearing of Treasury Securities***

Dodd-Frank includes a framework of regulation of the over-the-counter ("OTC") derivatives markets requiring clearing of certain OTC derivative transactions and imposes additional costs, including reporting and margin requirements. Centralized clearing also exposes us to the risk of a default by a clearing member or clearinghouse with respect to our cleared derivative transactions.

Our derivative hedging and other risk management procedures may prove ineffective in reducing the risks to which our insurance business is exposed. Any such losses could be increased by higher costs of writing derivatives (including customized derivatives) and the reduced availability of customized derivatives that might result from the implementation of Dodd-Frank and comparable international derivatives regulations.

Dodd-Frank also expanded the definition of “swap” and mandated the SEC and U.S. Commodity Futures Trading Commission (“CFTC”) to study whether “stable value contracts” should be treated as swaps. Pursuant to the definition and the SEC’s and CFTC’s interpretive regulations, products offered by our insurance subsidiaries, other than stable value contracts, might also be treated as swaps. The effect of such potential treatment is difficult to predict. Special federal banking rules apply to certain derivatives contracts and other agreements with some banking institutions and certain of their affiliates. These rules generally limit or delay the rights of counterparties upon the insolvency of such banking institutions which could increase our counterparty risk.

In 2023, the principal U.S. federal banking regulatory agencies proposed for public comment regulations to implement certain international “Basel III” capital standards. The U.S. regulatory proposal could affect capital charges applicable to banks and their affiliates engaged in derivatives activities, and could thus increase the costs of our risk mitigation using derivatives, as well as impact the availability of derivatives from our counterparties. It is not certain in what manner these proposed regulations may be modified when and if finalized.

In 2023, the SEC adopted rules to require that covered clearing agencies have policies and procedures reasonably designed to require every direct participant of the agency to submit for clearing eligible secondary market transactions in U.S. Treasury securities. The rule effectively requires such participants to clear eligible cash transactions in U.S. Treasury securities by December 31, 2025, and eligible repurchase transactions in U.S. Treasury securities by June 30, 2026. The rule’s potential effect on the U.S. Treasury markets is uncertain.

#### ***Securities, Broker-Dealer and Investment Adviser Regulation***

U.S. federal and state securities laws and regulations apply to insurance products that meet the definition of a “security,” including variable annuity contracts and variable life insurance policies, and certain fixed interest rate or index-linked contracts with features that require them to be registered as securities or exempt from registration. As a result, some of our subsidiaries and their activities in offering and selling variable insurance contracts and policies are subject to extensive regulation under these securities laws.

Federal and state securities laws and regulations generally grant regulatory agencies broad rulemaking and enforcement powers, including the power to adopt new rules impacting new or existing products, regulate the issuance, sale and distribution of our products and limit or restrict the conduct of business for failure to comply with such laws and regulations. In some non-U.S. jurisdictions, some of our insurance products are considered “securities” under local law, and we may be subject to local securities regulations and oversight by local securities regulators.

Some of our subsidiaries and their activities in offering and selling variable insurance products are subject to extensive regulation under the federal securities laws and regulations administered by the SEC. These subsidiaries issue variable annuity contracts and variable life insurance policies with separate accounts that are registered with the SEC as investment companies under the Investment Company Act of 1940, as amended (the “Investment Company Act”) or are exempt from registration under the Investment Company Act. Such separate accounts are generally divided into sub-accounts, each of which invests in an underlying mutual fund which is itself a registered investment company under the Investment Company Act. In addition, the variable annuity contracts and variable life insurance policies associated with these registered separate accounts are registered with the SEC under the Securities Act of 1933, as amended (the “Securities Act”) or are exempt from registration under the Securities Act. One insurance subsidiary issues a fixed interest rate contract with features that require it to be registered under the Securities Act.

Certain variable contract separate accounts sponsored by our subsidiaries are exempt from registration but may be subject to other provisions of the federal securities laws.

Two of our U.S. subsidiaries are registered with the SEC as broker-dealers under the Securities Exchange Act of 1934, as amended (“Exchange Act”) and are members of, and subject to regulation by, FINRA. The SEC, CFTC and FINRA from time to time propose and adopt rules and regulations that impact broker-dealers and products deemed to be securities.

Two of our U.S. subsidiaries are registered as investment advisers with the SEC under the Investment Advisers Act of 1940, as amended, and one is also registered or licensed in various non-U.S. jurisdictions, as applicable. In addition, we have non-U.S. subsidiaries that are registered or licensed in non-U.S. jurisdictions to conduct our investment management business. We may also be subject to similar laws and regulations in non-U.S. jurisdictions with respect to the provision of investment advisory services or the conducting of other activities.

One of our U.S. broker-dealers serves as the principal underwriter and distributor of these variable products and other securities offerings. Our broker-dealer distributes these products via unaffiliated third party broker-dealers and financial intermediaries that sell these products to end investors. Under SEC rules, the selling broker-dealers recommending our variable products and other securities offerings to end investors are required to comply with various SEC and FINRA rules and regulations, including Regulation Best Interest. SEC rules also require these selling broker-dealers to disclose the nature of services, their standard of conduct, and their conflicts of interest to their retail customers. With regard to insurance products, the NAIC revised its Suitability in Annuity Transactions Model Regulation to add a “best interest” standard for the sale of annuities, which most of our insurance subsidiaries’ domiciliary states adopted and others may consider.

Federal and state securities regulatory authorities and FINRA from time to time make inquiries and conduct examinations regarding compliance by MetLife, Inc. and its subsidiaries with securities and other laws and regulations. We cooperate with such inquiries and examinations and take corrective action when warranted.

### ***Diversity and Corporate Governance***

The NAIC and state insurance regulators are evaluating issues related to diversity within the insurance industry. In New York, for example, the NYDFS expects the insurers it regulates to make diversity of their leadership a business priority and a key element of their corporate governance, and it includes diversity-related questions in its examination process.

### ***Environmental Laws and Regulations***

As an owner and operator of real property in many jurisdictions, we are subject to extensive environmental laws and regulations in such jurisdictions. Inherent in such ownership and operation is also the risk that there may be environmental liabilities and costs in connection with any required remediation of such properties. In addition, we hold equity interests in companies that could potentially be subject to environmental liabilities. We routinely have environmental assessments performed with respect to real estate being acquired for investment and real property to be acquired through foreclosure. Unexpected environmental liabilities may arise. However, based on information currently available to us, we believe that any costs associated with compliance with environmental laws and regulations or any remediation of such properties will not have a material adverse effect on our business, results of operations or financial condition.

### ***Unclaimed Property***

We are subject to the laws and regulations of states and other jurisdictions concerning identification, reporting and escheatment of unclaimed or abandoned funds, and are subject to audit and examination for compliance with these requirements. See “— State Insurance Regulation,” which references a consent order. See also Note 24 of the Notes to the Consolidated Financial Statements.

### ***Brighthouse Separation Tax Treatment***

Prior to the spin-off distribution of Brighthouse Financial, Inc. (together with its subsidiaries, “Brighthouse”) common stock in 2017, we received a private letter ruling from the IRS regarding certain significant issues under the Code, as well as an opinion from tax counsel that the distribution qualified for non-recognition of gain or loss to us and our shareholders pursuant to Sections 355 and 361 of the Code, except to the extent of cash received in lieu of fractional shares, each subject to the accuracy of and compliance with certain representations, assumptions and covenants therein.

Notwithstanding the receipt of the private letter ruling and the tax opinion, the IRS could determine that the distribution should be treated as a taxable transaction, for example, if it determines that any of the representations, assumptions or covenants on which the private letter ruling is based are untrue or have been violated. Similarly, the IRS could determine that our disposal of the fair value option of Brighthouse Financial, Inc.’s common stock in the debt-for-equity exchange should be treated as a taxable transaction to MetLife, Inc. Furthermore, as part of the IRS’s policy, the IRS did not determine whether the distribution or the debt-for-equity exchange satisfies certain conditions that are necessary to qualify for non-recognition treatment. Rather, the private letter ruling is based on representations by us and Brighthouse that these conditions have been satisfied. The tax opinion addressed the satisfaction of these conditions. The tax opinion is not binding on the IRS or the courts, and the IRS or a court may take a contrary position. In addition, the tax counsel relied on certain representations and covenants delivered by us and Brighthouse.



If the IRS ultimately determines that the distribution is taxable, the distribution could be treated as a taxable dividend or capital gain to MetLife shareholders who received shares of Brighthouse Financial, Inc. common stock in the distribution for U.S. federal income tax purposes, and such shareholders could incur significant U.S. federal income tax liabilities if the 2017 tax year is still open with respect to such shareholders under the applicable statute of limitation. In addition, if the IRS ultimately determines that the distribution is taxable, we and Brighthouse could incur significant U.S. federal income tax liabilities, and either we or Brighthouse could have an indemnification obligation to the other, depending on the circumstances.

Even if the spin-off distribution otherwise qualifies for non-recognition of gain or loss under Section 355 of the Code, it may be taxable to us, but not our shareholders, under Section 355(e) of the Code if 50% or more (by vote or value) of our common stock or Brighthouse Financial, Inc.'s common stock is acquired as part of a plan or series of related transactions that include the distribution.

### ***Cross-Border Trade and Investments***

The U.S., the EU and the U.K. maintain and enforce a variety of economic sanctions against designated countries and their nationals around the world, which can result in disruptions in cross-border activity. In particular, U.S., EU and U.K. sanctions on Russia have expanded as a result of the war in Ukraine. These sanctions have expanded restrictions on transactions with the Russian Central Bank and other specified Russian government entities, dealing in Russian sovereign debt, engaging in certain debt and equity transactions, and engaging in transactions related to all new investment in the Russian Federation. Trade and investment in China may also be impacted by U.S. sanctions. The Biden administration has previously issued restrictions targeting certain activity involving specified Chinese securities and technology.

The Organisation for Economic Co-operation and Development has proposed policies aiming to modernize global tax systems, including a global 15% minimum effective tax rate ("Pillar Two") for multinational companies, including MetLife. A number of countries have either enacted Pillar Two rules or are evaluating whether to enact such rules. As most of our operations are in jurisdictions with a tax rate above 15%, we do not currently expect these rules to have a material impact on us.

### **Competition**

The life insurance industry remains highly competitive. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Industry Trends — Competitive Pressures." We face competition based on factors such as service, product features, scale, price, financial strength, claims-paying ratings, credit ratings, e-business capabilities and name recognition, performance against ESG metrics, technology, adaptation in light of pandemics and other public health issues, changes in regulation and taxes and other factors. We compete globally with a large number of insurance companies and non-insurance financial services companies such as banks, broker-dealers and asset managers. We compete for individual consumers, employer and other group customers, as well as agents and other distributors of insurance and investment products. Some of our competitors offer a broader array of products, have more competitive pricing or, with respect to other insurance companies, have higher claims paying ability ratings. In the U.S. and Japan, we compete with a large number of domestic and foreign-owned life insurance companies, many of which offer products in categories on which we focus. Elsewhere, we compete with the foreign insurance operations of large U.S. insurers and with global insurance groups and local companies. Because we and others underwrite many group insurance products annually, our group purchasers may be able to obtain more favorable terms from competitors rather than renewing coverage with us.

Insurers are focused on their core businesses, specifically in markets where they can achieve scale. They are increasingly seeking alternative sources of revenue focusing on monetization of assets, and fee-based services. They are also looking for opportunities to offer comprehensive solutions which include value-added services along with traditional products.

Financial market volatility will impact insurers' capital positions, which may strain the competitive environment and lead to industry consolidation. We believe adaptability to market changes (such as those from pandemics), as well as financial strength, technological efficiency and organizational agility, will most significantly differentiate competitors in our industry. We believe we are well positioned to succeed in any environment.

The Company distributes many of its products through a variety of third-party distribution channels, including banks and broker-dealers. We believe potential distribution partners carefully consider the financial strength of the company whose products they sell. Bank and broker-dealer consolidation could increase competition for access to distributors.

We face intense competition for employees. We must attract and retain highly skilled people with knowledge of our business and industry experience to support our business. See “— Human Capital Resources.” We continue to seek to grow our career agency forces in selected global markets. We also continue efforts to enhance the efficiency and production of our sales representatives. These initiatives may not succeed in attracting and retaining productive agents. See “— Segments and Corporate & Other” for information on sales distribution.

Numerous aspects of our business are heavily regulated. Legislative and other changes affecting the regulatory environment can affect our competitive position within the life insurance industry and within the broader financial services industry. See “— Regulation.”

## **Human Capital Resources**

At December 31, 2023, we had approximately 45,000 employees.

As a financial services company, we rely significantly on our global workforce, leveraging a wide variety of professional, technical, management, business, and other skills and expertise, to create value for our stakeholders. Our priorities include a supportive culture, global diversity, equity and inclusion (“DEI”), talent and skill development, benefits and wellbeing, compensation, and attracting and retaining talent. These factors impact the readiness of the organization to support future business needs.

- **Supportive culture:** We encourage open dialogue with our employees through:
  - Global networks where executive and senior leaders across the organization connect to further shape and align to our strategy, build capabilities and provide feedback on our operations, culture and future;
  - Let’s Talk Live! monthly, Chief Executive Officer-driven global town halls where information is shared with all employees and employees are given the opportunity to ask questions of management;
  - MyVoice, MetLife’s annual employee survey that provides our employees with an opportunity to share their perspectives and informs action-oriented solutions; and
  - Speak Up, MetLife’s online tool that, together with its Ethics & Fraud Hotline, enable associates to report any concern or violation that impacts employees, customers, or MetLife, without fear of retaliation.
- **Diversity, equity and inclusion:** In March 2022, we announced a set of 2030 DEI commitments that address the needs of underserved communities through a mix of investments, products and services, supply chain, volunteering and community efforts. Efforts made to pursue these commitments include (i) originating investments that advance diversity, (ii) encouraging a culture of year-round volunteering with a focus on underserved communities, (iii) providing diverse businesses with equal opportunity to participate in MetLife’s supply chain and become trusted suppliers, (iv) supporting research that advances the understanding of DEI issues, and (v) continuing to advance workplace diversity. As of December 31, 2023, globally, women represented 30% of our Executive Leadership Team and 36% of our Board of Directors. In the U.S., ethnic and racially diverse employees represented 13% of our Executive Leadership Team and 36% of our Board of Directors as of December 31, 2023.
- **Talent and skill development:** Employees can leverage our digitally enabled learning platform known as MyLearning and our internal global talent marketplace known as MyPath to enhance and expand their skills through experiential and cross-functional learning. Our approach to managing talent begins with regular 2+2+1 conversations during which employees and their managers discuss two things the employee is doing well, two things to focus on and one thing the employee needs from their manager to be successful.
- **Benefits and wellbeing:** We offer to our workforce compensation and inclusive benefits programs that provide resources to help maintain their physical, mental and financial wellbeing, as well as development opportunities and learning experiences that are tailored to individual career aspirations. MetLife’s company-paid and company-subsidized healthcare, disability, life insurance and retirement benefits are tailored to the needs of each market and competitive paid time off and parental leave programs are provided in all markets.
- **Compensation:** We have a pay-for-performance philosophy that directly links an employee’s compensation to their performance and to MetLife’s performance. We also provide market-aligned compensation opportunities to attract, engage and retain talent and are committed to continuing to review our practices to ensure fairness and equity.

- **Attracting and retaining talent:** We enable career development and training for existing employees by giving them access to tools, resources and social networks that expand professional relationships. We support retention goals by supporting employee recognition programs, focusing on employee health and wellness, and offering our total compensation and benefit programs.

**Information About Our Executive Officers**

Set forth below is information regarding the executive officers of MetLife, Inc. MLIC and MetLife Group, Inc. are affiliates of MetLife, Inc.:

<b>Name</b>	<b>Age</b>	<b>Position with MetLife and Business Experience</b>
Michel A. Khalaf	60	<ul style="list-style-type: none"> <li>• President, Chief Executive Officer and Director of MetLife, Inc. (May 2019 – present)</li> <li>• President, U.S. Business, of MetLife, Inc. (July 2017 – April 2019)</li> </ul>
John D. McCallion	50	<ul style="list-style-type: none"> <li>• Executive Vice President and Chief Financial Officer of MetLife, Inc. and Head of MetLife Investment Management (September 2023 – present)</li> <li>• Executive Vice President and Chief Financial Officer of MetLife, Inc. (November 2019 – August 2023)</li> <li>• Executive Vice President and Chief Financial Officer and Treasurer of MetLife, Inc. (July 2019 – November 2019)</li> <li>• Executive Vice President and Chief Financial Officer of MetLife, Inc. (August 2018 - July 2019)</li> <li>• Executive Vice President and Chief Financial Officer and Treasurer of MetLife, Inc. (May 2018 – August 2018)</li> <li>• Executive Vice President and Treasurer of MetLife, Inc. (July 2016 – April 2018)</li> </ul>
Marlene Debel	57	<ul style="list-style-type: none"> <li>• Executive Vice President and Chief Risk Officer of MetLife, Inc. and Head of MetLife Insurance Investments (September 2023 – present)</li> <li>• Executive Vice President and Chief Risk Officer of MetLife, Inc. (May 2019 – August 2023)</li> <li>• Executive Vice President and Head of Retirement &amp; Income Solutions of MetLife, Inc. (March 2018 – May 2019)</li> <li>• Executive Vice President and Chief Financial Officer, U.S. Business, of MetLife, Inc. (July 2016 – March 2018)</li> </ul>
Bill Pappas	54	<ul style="list-style-type: none"> <li>• Executive Vice President, Global Technology and Operations, of MetLife, Inc. (November 2019 – present)</li> <li>• Head of Global Operations, Bank of America, a financial services company (February 2016 – November 2019)</li> </ul>
Susan M. Podlogar	60	<ul style="list-style-type: none"> <li>• Executive Vice President and Chief Human Resources Officer of MetLife, Inc. (July 2017 – present)</li> <li>• Vice President, Human Resources, Global Medical Devices, Johnson &amp; Johnson, a medical devices, pharmaceutical and consumer products company (May 2016 – June 2017)</li> </ul>
Ramy Tadros	48	<ul style="list-style-type: none"> <li>• President, U.S. Business, of MetLife, Inc. and Head of MetLife Holdings (September 2023 – present)</li> <li>• President, U.S. Business, of MetLife, Inc. (May 2019 – August 2023)</li> <li>• Executive Vice President and Chief Risk Officer of MetLife, Inc. (September 2017 – April 2019)</li> </ul>

## **Trademarks**

We have a worldwide trademark portfolio that we consider important in the marketing of our products and services, including, among others, the trademark “MetLife.” We also have trademarks, such as the “PROVIDA” trademark, we have acquired with businesses. We believe that our rights in our trademarks are well protected.

## **Available Information**

MetLife encourages investors and others to frequently visit its website ([www.metlife.com](http://www.metlife.com)), including its Investor Relations web pages (<https://investor.metlife.com>). MetLife announces significant financial and other information to its investors and the public on its Investor Relations web pages in news releases, public conference calls and webcasts, fact sheets, and other documents and media. MetLife, Inc. makes available free of charge on its Investor Relations web pages the reports and other information it files with or furnishes to the SEC as soon as reasonably practicable after they are filed with or furnished to the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, any amendments to each of those reports, proxy statements, and other disclosure. The SEC maintains an internet website (<https://www.sec.gov>) that contains this and other information regarding issuers that file electronically with the SEC, including MetLife, Inc.

The information on MetLife’s website is not incorporated by reference into this Annual Report on Form 10-K or in any other report or document MetLife submits to the SEC, and any references to MetLife’s website are intended to be inactive textual references only.

## Item 1A. Risk Factors

Any or each of the events described below may (or may continue to) adversely affect the global economy or global financial markets, or our reputation, regulatory, customer, or other relationships, results of operations, liquidity or cash flows, statutory capital position, ability to meet our obligations, credit and financial strength ratings, financial condition, or the market price of our common stock. The effects may vary depending on timing, product, market, region or segment.

Many of these risks are interrelated and could occur under similar business and economic conditions, and the occurrence of any of them may cause others to emerge or worsen. Such combinations could materially increase the severity of the cumulative or separate impact of these risks.

These risk factors do not describe all potential risks that could affect MetLife. You should carefully consider the risk factors together with other information contained in this Annual Report on Form 10-K, including “Business,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the consolidated financial statements and accompanying notes in “Financial Statements and Supplementary Data,” and other reports and materials MetLife submits to the SEC.

### **Economic Environment and Capital Markets Risks**

#### ***We May Face Difficult Economic Conditions***

Market factors, including interest rates, credit spreads, declining equity or debt markets, derivative prices and availability, real estate conditions, foreign currency exchange rates, consumer and government spending, government default or spending reductions to avoid default, business investment, climate change, public health risks, volatility, disruptions and strength of the capital markets, deflation and inflation, and government actions in response thereto, may inhibit revenue growth, reduce investment opportunities and result in reduced investment returns or losses, derivative losses, reductions in fees generated, changes in insurance liabilities, impairments, increased valuation allowances, increases in reserves, reduced net investment income and changes in unrealized gain or loss positions.

Higher unemployment, changes to inflation, lower family income, lower corporate earnings, greater government regulation, lower business investment, lower consumer spending, elevated incidence of claims, adverse utilization of benefits relative to our best estimate expectations, lapses or surrenders of policies, reduced demand for our products, and deferred or canceled payments of insurance premiums may negatively affect our earnings and capitalization.

#### **Interest Rate Risks**

Some of our products and investments expose us to interest rate risks, including changes in the difference between short-term and long-term interest rates, which may reduce or eliminate our investment spread and net income.

Interest rate increases may harm our profitability. During rapidly increasing interest rates, we may not be able to replace the investments in our general account with higher yielding investments needed to fund the higher crediting rates required to stay competitive. This could result in a lower spread, lower profitability, decreased sales, and greater loss of existing contracts and related assets. In addition, policy loans, surrenders and withdrawals may increase as policyholders seek investments with higher perceived returns. This may result in cash outflows requiring the sale of investments on less favorable terms, resulting in investment losses and reductions in net income. Reductions in net income may in turn harm our credit instrument covenants and rating agency assessment of our financial condition. Interest rate increases may harm the value of our investment portfolio, for example, by decreasing the estimated fair value of fixed income securities, and may increase our daily settlement payments on interest rate futures and cleared swaps, resulting in increased cash outflows and liquidity needs. Furthermore, if interest rates rise, our unrealized gains on fixed income securities may decrease and our unrealized losses may increase. We would recognize the accumulated change in estimated fair value of these fixed income securities in net income upon a sale, an intent to sell, a determination it is more likely than not we will be required to sell, or if the decline in estimated fair value is due to a credit loss. During inflationary periods with rising interest rates, the value of fixed income investments falls, which could increase realized and unrealized losses, resulting in additional deferred tax assets that may not be realizable. Finally, an increase in interest rates may decrease fee income associated with a decline in the value of variable annuity account balances invested in fixed income funds.

Low interest rates and risk asset returns may reduce income from our investment portfolio, increase our liabilities for claims and future benefits, and increase the cost of risk transfer measures, decreasing our profit margins. During certain market events, such as a global credit crisis, a market downturn, or sustained low market returns, we may incur significant losses due to, among other reasons, losses incurred in our general account and the impact of guarantees, including increases in liabilities, capital maintenance obligations and collateral requirements. In addition, during periods of sustained lower interest rates, we may need to reinvest proceeds from certain investments at lower yields, reducing our investment spread. Moreover, borrowers may prepay or redeem the fixed income securities and loans in our investment portfolio with greater frequency. Although we may be able to lower interest crediting rates to help offset decreases in spreads, our ability to lower these rates is limited to our products that have adjustable interest crediting rates, which could be limited by competition or contractually guaranteed minimum rates and may not match the timing or magnitude of changes in asset yields. As a result, our investment spread may decrease or become negative. Reductions in net income from these factors may in turn harm our credit instrument covenants or rating agency assessment of our financial condition.

During periods of declining interest rates, life insurance and annuity products may be more attractive investments to consumers, resulting in increased premium payments on certain products, repayment of policy loans and increased persistency, while our new investments carry lower returns. A market interest rate decline could also reduce our return on investments that do not support particular policy obligations. During periods of sustained lower interest rates, we may need to increase our reserves.

The measures we take to mitigate the risks of investing in a changing interest rate environment, such as mitigating our fixed income investments relative to our interest rate sensitive liabilities, may not be sufficient. For some of our liability portfolios, we may not be able to invest assets at the full liability duration, thereby creating some asset/liability mismatch. In addition, asymmetrical and non-economic accounting may cause material changes to our net income and stockholders' equity because we record our non-qualified derivatives at fair value through earnings, while certain hedged items may follow an accrual-based accounting model or are recorded at fair value through other comprehensive income.

### **Credit Spread Risks**

Changes in credit spreads may result in market price volatility and cash flow variability. Market price volatility may result in defaults and a lack of pricing transparency, and can make valuations of our securities difficult if trading becomes less frequent, which may require us to add to our reserves. An increase in credit spreads relative to U.S. Treasury benchmarks may increase our borrowing costs and decrease certain product fee income. A sustained decrease in credit spreads could reduce the yield on our future investments. The discount rate used to calculate liabilities for future policy benefits includes a component for market credit spreads. Changes in market credit spreads could result in volatility to liabilities for future policy benefits.

### **Equity Risks**

Downturns and volatility in equity markets may harm our savings and investment products' revenues and investment returns, where fee income is earned based upon the fair value of our managed assets. Our variable annuity and life insurance business is highly sensitive to equity markets, and a sustained weakness or stagnation in the equity markets may decrease these products' revenues and earnings. Furthermore, certain of our variable annuity and life products offer guaranteed benefits that increase our potential benefit exposure should equity markets decline or stagnate.

Sustained declines in long-term equity returns or interest rates may harm the funding of our pension plans and other post-retirement benefit obligations. An increase in equity markets could increase settlement payments on equity futures and total rate of return swaps ("TRRs"), which may increase our cash outflows and liquidity needs.

The timing of distributions from and valuations of our investments in leveraged buy-out funds, hedge funds, real estate ventures, real estate funds and other private equity funds depends on the performance of the underlying investments, distribution schedules, and the funds' need for cash. The amount of net investment income from these investments can vary substantially from period to period and significant volatility may harm our returns and net investment income. In addition, downturns or volatility in the equity markets may decrease the estimated fair value of our alternative investments and equity securities.

### **Real Estate Risks**

Changes in leasable commercial space supply and demand, lessee behaviors, pandemics and other public health issues, creditworthiness of tenants and partners, capital markets volatility, interest rate fluctuations, commodity prices, farm incomes, housing and commercial property market conditions, and real estate investment supply and demand may adversely impact our investments in commercial, agricultural and residential mortgage loans, and real estate equity investments including joint ventures.

### **Political, Obligor and Counterparty Risks**

Our general account investments in certain countries could be adversely affected by volatility resulting from local economic and political concerns, as well as volatility in specific sectors. Government entities may face budget deficits and other financial difficulties, which may harm the value of securities we hold issued by or under the auspices of such governments. In the U.S., a threat facing the economy is the continued disagreement over the federal debt limit and other budget questions. Failure to resolve these issues in a timely manner could result in a government shutdown, erratic reduction in government spending or a default on government debt, which could result in increased market volatility and reduced economic activity.

The issuers or guarantors of fixed income securities and mortgage loans we own may default on principal and interest payments they owe us. Additionally, the change in value of underlying collateral within instruments backed by securitized assets may result in a default on principal and interest payments, reducing our cash flows. The occurrence of a major economic downturn, acts of corporate malfeasance, widening credit spreads, or other adverse events may increase the default rate of the fixed income securities and mortgage loans in our investment portfolio.

Many of our transactions with counterparties expose us to the risk of counterparty default. Such credit risk may be exacerbated if we cannot realize on the collateral held by us in secured transactions or cannot liquidate such collateral at prices sufficient to recover the full amount of the loan or derivative exposure due to us. Furthermore, potential action by governments and regulatory bodies, or lack of action by governments and central banks, as well as deterioration in the banks' credit standing, could negatively impact these instruments, securities, transactions and investments or limit our ability to trade with them.

Our efforts to manage our total exposure to a single counterparty or limited number of counterparties within or among any of our investment, derivative, treasury, and reinsurance relationships, which we adjust from time to time, may not completely or adequately mitigate counterparty risks.

### **Currency Exchange Rate Risks**

Fluctuations in foreign currency exchange rates against the U.S. dollar may adversely affect our non-U.S. dollar denominated investments, investments in non-U.S. subsidiaries, net income from non-U.S. operations and issuance of non-U.S. dollar denominated instruments. Fluctuations in foreign currency exchange rates may also make certain of our products less attractive to customers, which may increase levels of early policy terminations and decrease sales volume and our in-force business. Such negative effects may be exacerbated if international markets experience severe economic or financial disruptions or significant currency devaluations, if a foreign economy is determined to be "highly inflationary," or if a country withdraws from the Euro zone. Fluctuations in foreign currency exchange rates may harm our operations, earnings or investments in the affected countries.

We may be unable to mitigate the risk of such changes in exchange rates due to unhedged positions, asymmetrical and non-economic accounting resulting from derivative gains (losses) on non-qualifying hedges, the failure of hedges to effectively offset the impact of the foreign currency exchange rate fluctuation, or other factors. Fluctuations in currency exchange rates may adversely affect the translation of results into our U.S. dollar basis consolidated financial statements.

### **Derivatives Risks**

If our counterparties, clearing brokers or central clearinghouses fail or refuse to honor their obligations under our derivatives agreements, our risks may not be fully hedged. A counterparty, clearing broker, or central clearinghouse may become insolvent or otherwise unable or unwilling to make payments or to return collateral under the terms of derivatives agreements, increasing our costs. If the net estimated fair value of a derivative to which we are a party declines, we may need to pledge additional collateral or make increased payments. In addition, we may face increased costs to the extent we replace counterparties who suffer financial difficulties. Furthermore, our derivatives valuations may change based on changes to our valuation methodology or errors in such valuation or valuation methodology.

### **Terrorism and Security Risks**

The continued threat of terrorism, ongoing or potential military conflict and other actions, and heightened security measures may cause economic uncertainty and result in loss of life, property damage, additional disruptions to commerce and reduced economic activity. The value of our investment portfolio may be adversely affected by declines in the credit and equity markets and reduced economic activity caused by such threats. Companies in which we maintain investments may suffer losses as a result of financial, commercial or economic disruptions, and such disruptions might affect the ability of those companies to pay interest or principal on their securities or mortgage loans. Terrorist or military actions also could disrupt our operations centers and result in higher than anticipated claims under our insurance policies.

***We May Not Meet Our Liquidity Needs, Access Capital, or May Face Significantly Increased Cost of Capital Due to Adverse Capital and Credit Market Conditions***

In cases of volatility, disruption, or other conditions in global financial markets, we may have to seek additional financing, the availability and cost of which could be adversely affected by market conditions, regulatory considerations, availability of credit to our industry generally, our credit ratings and credit capacity, reduced business activity, or investment losses, and the perception of our financial prospects. Our access to funds may be impaired if regulatory authorities or rating agencies take negative actions against us. We may not be able to successfully obtain additional financing we need on favorable terms or at all. We may be required to return significant amounts of cash collateral on short notice under securities lending or derivatives agreements or post collateral or make payments related to specified counterparty agreements.

Our business and financial results may suffer without sufficient liquidity through impaired ability to pay claims, other operating expenses, interest on our debt and dividends on our capital stock, cash or collateral to our subsidiaries, maintain our securities lending, replace certain maturing liabilities, sustain our operations and investments, and repurchase our common stock. Capital and credit market volatility may limit our access to capital we need to operate, limiting our ability to raise capital, issue the types of securities we would prefer, timely replace maturing liabilities, satisfy regulatory requirements, and access capital to grow our business, any of which could decrease our profitability and significantly reduce our financial flexibility.

***We May Be Unable to Access Our Credit Facility, Reducing Our Liquidity and Leading to Downgrades in Our Credit and Financial Strength Ratings***

We may fail to comply with or fulfill all conditions under the unsecured revolving credit facility (the “Credit Facility”) MetLife, Inc. and MetLife Funding, Inc. maintain. Lenders may fail to fund their lending commitments under the Credit Facility due to insolvency, illiquidity or other reasons.

***We May Lose Business Due to a Downgrade or a Potential Downgrade in Our Financial Strength or Credit Ratings***

Nationally Recognized Statistical Rating Organizations (“NRSROs”) and others may, at any time, downgrade our financial strength ratings or credit ratings, lower our ratings outlooks, increase the scope or frequency of their reviews, or increase capital or other requirements to maintain ratings. Such changes could reduce our product sales, reduce cash flows from funding agreements and other capital market products, and force us to change product pricing and increase our financing costs, policy surrenders or withdrawals, collateral requirements, risk of derivative terminations, cost of reinsurance, regulatory scrutiny, or various other factors.

***We May Not Find Available, Affordable or Adequate Reinsurance to Protect Us Against Losses***

Reinsurers may increase our reinsurance costs, or may decline to offer us reinsurance, due to policy changes related to public health issues, market conditions, or other factors. Our risk of loss may increase if we decrease the amount of our reinsurance. Any of these could harm our ability to write future business or result in the assumption of more risk with respect to the policies we issue.

We remain liable and may incur costs as the direct insurer on all risks we reinsure as a result of a reinsurer’s insolvency, inability or unwillingness to make payments, or inability or unwillingness to maintain collateral, which could have a material adverse impact on our business, results of operations or financial condition.

***Our Statutory Life Insurance Reserve Financings Costs May Increase, and We May Find Limited Market Capacity for New Financings***

If MetLife’s ratings decline, market capacity is limited, or on other repricing occasions, our costs to finance statutory life insurance reserves may increase. If regulators disallow assets to back statutory reserves, we would not be able to take some or all related statutory reserve credit, which may harm the statutory capitalization of certain of our insurance subsidiaries.

**Regulatory and Legal Risks**

***Changes in Laws or Regulation, or in Supervisory and Enforcement Policies, May Reduce Our Profitability, Limit Our Growth, or Otherwise Adversely Affect Us***

Insurance or other regulators may change licensing, permit, or approval requirements, or take other actions harmful to us. They may also take actions that harm our customers and independent sales intermediaries or their operations, which may affect our business relationships with them and their ability to purchase or distribute our products.



Governments may change regulation of financial services, insurance, variable annuities and variable life insurance, securities, derivatives, pension, health care, accounting, cybersecurity, artificial intelligence, privacy and data protection, tort reform legislation, taxation, benefit plan investment advice and related fiduciary duties, antitrust as applied to the business of health insurance or otherwise, and other areas. Laws and regulations may also affect customers, sales intermediaries, or others. We or others may fail to comply with these requirements or suffer adverse regulatory examinations or audits. Regulators may also interpret rules differently from the way we have, or change interpretations of laws or rules, and legislators may change statutes. Any of these changes may harm our ability to continue to offer the products we do today or to introduce new products.

We may incur costs to comply with laws and regulations and changes to these laws and regulations may increase our expenses and regulatory capital charges. Our failure to comply with our own policies or with regulatory requirements may harm our reputation or result in sanctions or legal claims.

Laws, regulations or regulatory actions may limit or change the type, amount or structure of compensation or benefits we offer our employees or others, or may limit or ban the use of non-competition agreements, which may harm our ability to compete in recruiting and retaining key personnel. We may also fail to fulfill our fiduciary or other benefit-related obligations completely.

Compliance with solvency standards or financial condition regulations may increase our capital and reserve requirements, risk management costs, and reporting costs. See “Business — Regulation — State Insurance Regulation — Surplus and Capital” for a summary of the NAIC’s developments related to financial condition regulation. We may be subject to enhanced capital standards, supervision and additional requirements, such as group capital standards or insurer capital standards. MetLife, Inc. could be compelled to undergo FDIC liquidation if it becomes insolvent or is in danger of defaulting on its obligations, imposing greater losses on shareholders and unsecured creditors than under the Bankruptcy Code. This could also apply to financial institutions whose debt we hold and could harm the value of our holdings. We could be assessed charges in connection with a financial company liquidation.

Our ability to react to rapidly changing economic conditions and the dynamic, competitive markets may be impaired if our product designs do not allow frequent and contemporaneous revisions of key pricing elements, or if we are unable to work collaboratively with regulators. Changes in regulatory approval processes, rules and other dynamics in the regulatory process could harm our ability to react to such changing conditions. Rules on defined benefit pension plan funding may reduce the likelihood or delay corporate plan sponsors in terminating their plans or engaging in transactions to partially or fully transfer pension obligations. This could affect the mix of our pension risk transfers and increase non-guaranteed funding products.

Governmental bodies may delay acting on or implementing regulatory or policy changes due to pandemics or other public health issues, or because they are attending to pandemic or public health issues rather than to other topics. This may increase uncertainty, prolong deleterious regulations and policies, delay or prevent beneficial regulatory or policy changes, and create the potential for later, more rapid changes to which we find it more difficult to adjust.

Our New York insurance regulator’s annual Special Considerations Letter for year-end asset adequacy testing may impose unforeseen assumptions or requirements that require us to increase or release reserves, which could affect our statutory capital and surplus.

***Governments or Others May Increase our Taxes by Changing or Re-Interpreting Tax Laws, Making Some of Our Products Less Attractive to Consumers***

Changes in tax laws or interpretations of such laws could increase our corporate taxes, reduce our earnings, and adjust the value of our deferred tax assets and liabilities. Changes may increase our effective tax rate or have implications that make our products less attractive to consumers. Tax authorities may enact laws, change regulations to increase existing taxes, or add new types of taxes, and authorities who have not imposed taxes in the past may impose taxes.

Customers shifting away from employee benefits, life insurance and annuity contracts, or other tax-preferred products would reduce our income from these products and our asset base, reducing our earnings and potentially affecting the value of our deferred tax assets.

### ***We May Face Increasing Litigation and Regulatory Investigations***

Legal or regulatory actions, inquiries or investigations, for MetLife or our competitors, whether ongoing or yet to come, could harm our reputation, ability to attract or retain customers or employees, and business, financial condition, or results of operations, even if we or our competitors, ultimately prevail. Regulators or private parties may bring class actions, individual suits, or investigations seeking large recoveries and alleging wrongs relating to sales or underwriting practices, claims payments and procedures, failure to adequately or appropriately supervise, inappropriate compensation contrary to licensing requirements, product design, disclosure, administration, investments, denial or delay of benefits, pandemic- or other public health-related practices, privacy and data protection, or data security incidents, discriminatory or inequitable practices, and breaches of fiduciary or other duties. We may be unable to anticipate the outcome of a litigation and the amount or range of loss because we do not know how adversaries, fact finders, courts, regulators, or others will evaluate evidence, the law, or accounting principles, and whether they will do so differently than we have.

### ***Our Efforts to Meet Environmental, Social, and Governance Standards and to Enhance the Sustainability of our Businesses May Not Meet Investors', Regulators' or Customers' Expectations***

Some of our shareholders, investors and customers, or those considering such a relationship with us, evaluate our business or other practices according to a variety of ESG standards and expectations. Our practices and performance are subject to increasing scrutiny with regard to various aspects of ESG performance from regulators and other stakeholders. Further, we define our own corporate purpose, in part, by the sustainability of our practices and our impact on all our stakeholders.

Our investors or others may evaluate our practices by ESG criteria that are continually evolving and not always clear or readily measurable. These standards and expectations may also, as a whole, reflect contrasting or conflicting values or agendas and are not always susceptible to consensus. Our decisions and priorities must also necessarily, and simultaneously, take account of multiple business goals and interests. Our practices may not change in the particulars or at the rate some stakeholders expect. As a result, our efforts to conduct our business in accordance with some or all these expectations may involve trade-offs. In June 2022, we announced our commitment to achieve net zero greenhouse gas (“GHG”) emissions by 2050 or sooner. This commitment applies to GHG emissions from our global owned and leased offices and vehicle fleets, employee business travel, supply chain and general account investment portfolio, including the general accounts of MetLife, Inc.’s wholly-owned subsidiaries, where reliable data and methodologies are available. We have oriented our climate objectives and interim targets to advance this commitment, which involves assumptions and expectations that involve risks and uncertainties. Data and measurement techniques continue to evolve. Further, because of the financed emissions included in our investment portfolio, our ability to meet our commitments is dependent on those counterparties meeting their own carbon reduction objectives. We may fail to meet our commitments or targets, and our policies and processes to evaluate and manage ESG standards in coordination with other business priorities may not prove completely effective or fully satisfy expectations of some stakeholders. For example, some current customers and potential customers may decline to do business with us based on our sustainability practices and related policies and actions. We may also face adverse regulatory, investor, media, or public scrutiny leading to business, reputational, or legal challenges.

### **Capital Risks**

#### ***We May Not be Able to Pay Dividends or Repurchase Our Stock Due to Legal and Regulatory Restrictions or Cash Buffer Needs***

Our financial condition, results of operations, cash requirements, future prospects, capital position, liquidity, financial strength and credit ratings, as well as regulatory restrictions on the payment of dividends by MetLife, Inc.’s insurance subsidiaries, general market conditions, the market price of our common stock compared to management’s assessment of the stock’s underlying value, applicable regulatory approvals, other legal and accounting factors, and any other factors our Board deems relevant may preclude us from paying dividends or repurchasing our common stock.

Other factors may affect our ability to pay dividends or repurchase our common stock. Governments, investors or media may pressure us not to repurchase shares of our common stock or other securities, or prohibit us from doing so. Our use of other means to return excess capital to shareholders may be less tax-efficient than repurchases. We maintain a buffer of cash and other liquid assets, and may increase it. As a result, we may have less capital to devote to other uses, such as innovation, acquisitions, development and return of capital to shareholders. We may also be restricted from repurchasing shares or entering into share repurchase programs at times, such as when we are aware of material non-public information.

If we do not pay dividends on our preferred stock or pay interest on our junior subordinated debentures or trust securities, terms of those instruments may restrict our ability to pay dividends on or repurchase our common stock. Further, terms applicable to our Floating Rate Non-Cumulative Preferred Stock, Series A, junior subordinated debentures and trust securities may prevent us from paying dividends or interest on those instruments. We may not be able to eliminate these restrictions through the repayment, redemption or purchase of junior subordinated debentures or other securities.

***Our Subsidiaries May be Unable to Pay Dividends, a Major Component of Holding Company Free Cash Flow***

If the cash MetLife, Inc. receives from its subsidiaries through dividends and other payments is insufficient for it to fund its debt service and other holding company obligations, MetLife, Inc. may have to issue debt or equity, or sell assets. MetLife, Inc. may also not meet its free cash flow or shareholder cash distribution goals.

Insurance regulators may restrict dividends or other payments above certain amounts where their approval is required if they determine payments could be adverse to our policyholders or contractholders. Business conditions, rating agency considerations, taxation, dividend and repatriation rules, and monetary transfer and foreign currency exchange rules may limit our insurance subsidiaries' dividends and other payments. We may need to transfer capital among our companies to comply with net worth maintenance or other support agreements, limiting capital available for other purposes.

**Investment Risks**

***We May Face Defaults, Downgrades, Volatility or Other Events That Adversely Affect the Investments We Hold***

In case of a major economic downturn, U.S. government default (or threatened default), acts of corporate malfeasance, widening credit risk spreads, ratings downgrades or other events, our estimated fair value of our fixed income securities and loan portfolios and corresponding earnings may decline, and the default rate of our investment portfolio may increase. These changes could harm the issuers or guarantors of securities or the underlying collateral of structured securities that we hold. We may have to hold more capital to support our securities to maintain our RBC levels if securities we hold suffer a ratings downgrade. Our intent to sell, or our assessment of the likelihood that we will be required to sell, fixed income securities may increase our write-downs or impairments. Our realized losses or impairments on these securities may harm our net income.

The default rate, loss severity or other performance of our mortgage loan investments may change. Any concentration of our mortgage loans by geography, tenancy or property type may have an adverse effect on our investment portfolio, the prices we can obtain when we sell assets, and our results of operations or financial condition. Legislation or regulations that would allow or require modifications to the terms of, or impact the value of, mortgage loans or other investments could harm our investment portfolio.

Major public health issues have affected and may continue to affect financial markets and our investment portfolio. These may continue to contribute to our risk of investment defaults, downgrades and volatility, asset impairments and lower variable investment income and returns, and may cause or exacerbate any of the investment risks we describe in these risk factors.

Market volatility affects the value of or return on our investments. It may slow or prevent us from reacting to market events as effectively as we otherwise could. When we sell our investment holdings, we may not receive the prices we seek, and may sell at a price lower than our carrying value, due to reduced liquidity during periods of market volatility or disruption, or other reasons. Borrowers may delay or fail to pay principal and interest when due, or may demand loan modifications. Tenants may delay paying rent, or fail to pay it, or demand lease modifications. We may face moratoriums on foreclosures and other enforcement actions impairments, and loan or lease modifications, due to government action or market conditions. We may also encounter credit spread changes, increasing our borrowing costs and decreasing our product fee income. Issuer or guarantor default rates may increase.

***We May Have Difficulty Selling Holdings in Our Investment Portfolio or in Our Securities Lending Program in a Timely Manner to Realize Their Full Value***

When we sell holdings in our investment portfolio, we may not receive the price we seek and may sell at a price lower than our carrying value. We may face unfavorable conditions in privately-placed fixed income securities, private structured credit, certain derivative instruments, mortgage loans, policy loans, direct financing and leveraged leases, other limited partnership interests, tax credit and renewable energy partnerships, and real estate equity, including real estate joint ventures and funds. Our investments may suffer reduced liquidity during periods of market volatility or disruption or for other reasons. In addition, central banks' efforts to provide market liquidity or otherwise address market conditions may not be successful or sufficient. We may realize losses that harm our financial metrics, which could harm our compliance with our credit requirements and rating agency capital adequacy measures.

We may face similar risks if we are required under our securities lending program to return significant amounts of cash collateral that we have invested. Our securities lending activities and profitability may decrease.

***We May Have to Pledge Collateral or Make Payments in Derivatives Transactions***

We may have to pledge additional collateral and increase payments we make under our derivatives transactions. Regulators, clearinghouses, or counterparties may restrict or eliminate eligible collateral, increase our collateral requirements, or charge us to pledge such collateral, which would increase our costs, reduce our investment income, and harm our liquidity.

***We May Change Our Securities and Investments Valuation, or Take Allowances and Impairments on Our Investments, or Change Our Methodologies, Estimations, and Assumptions***

During periods of market disruption or rapidly changing market conditions, such as significantly rising or high interest rates, rapidly widening credit spreads or illiquidity, or infrequent trading, or when market data is limited, our assets may become less liquid. We may base our asset valuations on less observable and more subjective judgments, assumptions, or methods that may result in estimated fair values that significantly vary by period, and may exceed the investment's sale price. The estimated fair value of our securities may also decrease due to changes in valuation methods and assumptions.

**Business Risks**

***Our Actual Claims or Other Results May Differ From Our Estimates, Assumptions, or Models***

If our actual claims experience is less favorable than the underlying underwriting, reserving, and other assumptions we used in establishing claim liabilities, we could be required to reduce value of business acquired ("VOBA"), increase our liabilities, or incur higher costs.

The amounts that we will ultimately pay to settle our liabilities, particularly when those payments may not occur until well into the future, may vary from what we expect. We may change our liability assumptions and increase our liabilities based on actual experience and accounting requirements. Our operating practices and procedures that support our policyholders and contractholder obligation assumptions, such as obtaining, accumulating, and filtering data, and our use of technology, such as database analysis and electronic communications, may affect our reserve estimates. If these practices and procedures do not accurately produce the data to support our assumptions or cause us to change our assumptions, or if enhanced technological tools become available to us, we may change those assumptions and procedures, as well as our reserves. If any of our operating practices and procedures do not accurately produce, or reproduce, data that we use to conduct any or all aspects of our business, such deviations or errors may negatively impact our business, reputation, results of operations, or financial condition. We may change our assumptions, models, or reserves due to changes in longevity. Increases in the prevalence and accuracy of genetic testing, or restrictions on its use, may exacerbate adverse selection risks.

Pandemics and other public health issues have caused and may continue to cause increased claims under many of our policies (for example, life, disability, leave, long-term care, major medical and supplemental health products), raising our resulting costs. Governments or others may fail to produce accurate population and impact data that we use in our estimates, assumptions, models, or reserves, such as death rates, infections, morbidity, hospitalization, or illness. This may cause or exacerbate any of the risks related to our estimates or assumptions. Pandemics and other public health issues may cause related or consequential long-term economic, social, political, policy, regulatory, business, demographic, or other changes to our claims or other areas subject to estimates, assumptions, models, or reserves. We may not accurately predict, prepare, and adjust to these changes.

***We May Face a Variety of Political, Legal, Operational, Economic and Other Risks Globally***

The global nature of our business operations exposes us to a wide range of political, legal, operational, economic and other risks, including: nationalization or expropriation of assets; imposition of limits on foreign ownership of local companies; restrictions on the ability to access cash on deposit, changes in laws, their application or interpretation; political instability; economic or trade sanctions; sanctions on cross-border exchange listing, investment or other securities transactions; dividend limitations; price controls; regulations to address climate change; currency exchange controls or other transfer or exchange restrictions; difficulty enforcing contracts; regulatory restrictions; and public or political criticism of our business and operations. Some of these actions may affect us more harshly than our peers. Some of our businesses operate in emerging markets, where many of these risks are heightened.

We face other risks that may affect our global operations and investments, including those related to the imposition of tariffs or other barriers to international trade, changes to international trade agreements, uncertainties in intergovernmental organizations, pension system reforms, labor problems with workers' associations or trade unions, and reliance on interconnected information systems and the security of such systems.

Expanding our operations to new businesses or jurisdictions may require considerable management time and expenses before significant, if any, revenues and earnings are generated, which may reduce management and financial resources available for other uses. Our operations in new or existing markets may be unprofitable or achieve low margins.

***We May Face Competition for Business***

Competitive pressures, based on a number of factors including service, product features, scale, price, financial strength, claims-paying ratings, credit ratings, e-business capabilities, name recognition, performance against ESG metrics, technology, adaptation in light of pandemics and other public health issues, changes in regulation and taxes, and other factors, may adversely affect the persistency of our products and our ability to sell products in the future. We may be harmed by competition from other insurance companies, as well as non-insurance financial services companies, which may have a broader array of products, more competitive pricing, higher claims paying ability ratings, greater financial resources with which to compete, or pre-existing customer bases for financial services products. Additionally, we may lose purchasers of group insurance products that are underwritten annually due to more favorable terms from competitors. Furthermore, the investment management and securities brokerage businesses have relatively low barriers to entry and continually attract new entrants. Our customers and clients may engage other financial service providers, resulting in our loss of business.

An increase in consolidation activity among banks, brokers and broker-dealers may negatively impact the insurance industry's sales. It may increase competition for access to distributors, resulting in greater distribution expenses, and may impair our ability to market insurance products to or expand our current customer base. Consolidation and other industry changes may also increase the likelihood that distributors will renegotiate agreements on terms less favorable to us.

In addition, legislative and other changes affecting the regulatory environment for our business may not impact all activities and companies equally, which could adversely affect our competitive position within the insurance industry and the broader financial services industry.

***We Face Technological Changes That Present New and Intensified Challenges and May Fail to Foresee or Adapt to These Changes***

Our business operations rely on functioning and secure information systems and those of our vendors. Technological changes present us with new or intensified challenges, and if we are unable to foresee or adapt to these changes, our business, results of operations and financial condition may be adversely affected. For example, our assumptions, models and reserves may need to be modified if we are unable to accurately, timely, or completely process, store and retrieve the increased volume and variety of information relating to our businesses, including information related to deaths, that new technological tools for data collection and analysis make available.

Similarly, our distribution channels may become more automated to increase flexibility of access to our services and products. We may incur significant costs to implement and adapt to such changes. If we are unsuccessful, our results of operations, competitive position, reputation and customer and distribution relationships may be harmed. Steps taken to adapt to these changes, such as changes to the method of collection and analysis of data, could also expose us to litigation or other regulatory and legal actions.

Technological changes may affect our business model and how we interact with existing or prospective customers, and evolving consumer preferences may require a redesign of our products and investment composition. For example, changes in energy technology and increasing consumer preferences for e-commerce may harm the profitability of some businesses. Likewise, the growth and availability of artificial intelligence ("AI") technologies, including generative AI, presents significant opportunities but also complex challenges, including with respect to balancing and mitigating potential risks of harm posed by the development or deployment of AI technologies. We may fail to adjust our investments accordingly or suffer stranded assets. If we are unable to update our business model to match evolving consumer preferences and purchasing behavior, or the evolving technological landscape, our business, results of operations and financial condition may be adversely affected.

New technologies may impact the configuration of our information systems, and how they connect with those of our vendors, service providers and/or partners. Such technological developments may introduce or uncover information security vulnerabilities, which may result in breaches or increased costs associated with maintaining appropriate data privacy, data protection, and cybersecurity measures or enforcement actions against us by regulators. Any such vulnerability that results in a security breach or failure of our information systems, or those of third parties on which we rely, may result in litigation, regulatory action, negative impacts to our business operations, and reputational harm.

***We May Face Catastrophes That Affect Liabilities for Policyholder Claims and Reinsurance Availability***

Catastrophic events could increase claims, impair assets in or otherwise harm our investment portfolio, and could harm our reinsurers' financial condition, increasing reinsurance defaults. Catastrophic events may also reduce economic activity in affected areas, which could harm our existing business or prospects for new business, or the value of our investments. The severity of claims from catastrophic events may be higher if property values increase due to inflation or other factors or our insured lives or property are geographically concentrated.

Pandemics and other public health issues or other events, and governmental, business, and consumer reactions to them, may affect economic conditions and may cause a large number of illnesses or deaths. Hurricanes, windstorms, earthquakes, hail, tornadoes, explosions, severe winter weather, fires, floods and mudslides, blackouts and man-made events such as riot, insurrection, terrorist attacks or acts of war may also cause catastrophic losses and increased claims. Any such catastrophes may also result in changes in consumer or business confidence, behavior and investment and business activity, changes to interest rates and other market risk factors, and governmental or other restrictions on economic activity for prolonged periods.

Consistent with industry practice and accounting standards, we establish liabilities for claims arising from a catastrophe only after assessing the probable losses arising from the event. The liabilities we have established may not be adequate to cover our actual claim liabilities. Our efforts to manage risks may be impeded by restrictions on our ability to withdraw from catastrophe-prone areas or on reinsurance transactions. We may be unable to obtain catastrophe reinsurance at rates we find acceptable, or at all. We may also be called upon to make contributions to guaranty associations or similar organizations as a result of catastrophes.

***We May Face Direct or Indirect Effects of Climate Change or Responses to It***

Climate change may increase the frequency and severity of short-, medium-, or long-term weather-related disasters, public health incidents, forest fires, rising sea levels and pandemics, and their effects may increase over time. Climate change regulation may harm the value of investments we hold or harm our counterparties, including reinsurers, or increase our compliance costs. Our regulators may also increasingly focus their examinations on our management of climate-related risks.

***We May Need to Fund Deficiencies in Our Closed Block, and May Not Re-Allocate Closed Block Assets***

The closed block assets established in connection with the MLIC demutualization, their cash flows, and the revenue from the closed block policies may not be sufficient to provide for the policies' guaranteed benefits. If they are not, we must fund the shortfall. We may choose, for competitive or other reasons, to support policyholder dividend payments with our general account funds. Such actions may reduce funds otherwise available for other uses.

***We May Be Required to Recognize an Impairment of Our Goodwill or Other Long-Lived Assets or to Establish a Valuation Allowance Against Our Deferred Income Tax Assets***

We may reduce our estimated fair value of business units, impairing our goodwill and charging net income, if prolonged market declines or other factors negatively impact the performance of our businesses.

We may write down long-lived assets if we conclude we will be unable to recover their carrying amount.

We may charge net income because we determine that it is more likely than not that we will not realize a deferred income tax asset based on the performance of the business and its ability to generate future taxable income. In addition, we may need to adjust the value of deferred tax assets and liabilities if tax rates change.

***We May Be Required to Impair VOBA, VODA or VOCRA***

Adverse changes to investment returns, mortality, morbidity, persistency, interest crediting rates, dividends paid to policyholders, expenses to administer the business, creditworthiness of reinsurance counterparties, significant or sustained equity market declines, significant changes to bond spreads, and certain other economic variables, such as inflation, could cause an impairment of the value of distribution agreements acquired ("VODA"), VOBA or the value of customer relationships acquired ("VOCRA"). We may accelerate amortization or impair these assets in the period these occur.

***We May Face Volatility, Higher Risk Management Costs, and Increased Counterparty Risk Due to Guarantees Within Certain of Our Products***

Our liabilities for guaranteed benefits, including no-lapse guarantee benefits, guaranteed minimum death benefits, guaranteed minimum withdrawal benefits, guaranteed minimum accumulation benefits, guaranteed minimum income benefits, and certain minimum crediting rate features could increase if equity or fixed income funds decline or become more volatile, or interest rates decrease.

Our derivatives and other risk management strategies to hedge our economic exposure to these liabilities may harm our results. Our use of reinsurance, derivatives, or other risk management techniques may not sufficiently offset the costs of guarantees or protect us against losses from changes in policyholder behavior, mortality, or market events.

Policyholders may also change their behavior in unexpected ways. For example, policyholders seeking liquidity due to economic uncertainty or challenges may withdraw or surrender, change their premium payment practices, exercise product options, or take other actions at rates different from those we expect.

## **Operational Risks**

### ***Our Risk Management Policies and Procedures, or Our Models, May Leave Us Exposed to Unidentified or Unanticipated Risk***

Our ERM and business continuity policies and procedures may not be sufficiently comprehensive and may not identify or adequately protect us from every risk to which we are exposed.

Pandemics and other public health issues, and authorities' and people's reactions thereto, have resulted in and may continue to result in remote, hybrid and/or flexible office working arrangements and other unusual conditions. These may strain our risk management and our business continuity plans, introduce or increase our operational and cybersecurity risks, and otherwise impair our ability to manage our business. They may increase the frequency and sophistication of attempts at unauthorized access to our technology systems, or those of third parties on which we rely. They may hinder our efforts to prevent money-laundering or other fraud, whether due to limited abilities to "know our customers," strains on our programs to avoid and deter foreign corrupt practices, or otherwise, and may increase both our compliance costs and our risk of violations.

The assumptions, projections and data on which our risk management models are based may be inaccurate, and our models may not be suitable for their purpose, be misused, not operate properly, and contain errors. Our decisions and model adjustments, including determination of reserves, are based on such model output and reports and may be flawed. We may fail to identify or remediate model errors adequately. Our models may not fully predict future exposures or correctly reflect past experience.

Our evaluation of markets, clients, catastrophe occurrence or other matters may not always be accurate, complete, up-to-date or properly evaluated. We may not effectively identify and monitor all risks or appropriately limit our exposures and our associates, vendors or non-employee sales agents may not follow our risk management policies and procedures. Past or future misconduct by our associates, vendors or non-employee sales agents could result in investigations, violations of law, regulatory sanctions, and litigation. We may have to implement more extensive or different risk management policies and procedures due to legal and regulatory requirements.

### ***Our Policies and Procedures May Be Insufficient to Protect Us From Operational Risks***

We may make errors in any of the large number of transactions we process through our complex administrative systems. Our controls and procedures to prevent such errors may not be effective. Our controls and procedures to comply with and enforce contractual obligations may not always be effective. Mistakes can subject us to claims from our customers.

If we are unable to obtain necessary and accurate information from our customers or their employees, we may be unable to provide or verify coverage and pay claims, or we may pay claims without sufficient documentation.

The controls of our vendors on whom we rely may not meet our standards or be adequate. Our vendors could fail to perform their services accurately, consistently with applicable law or timely. Our exchange of information with vendors may be imperfect, or our vendors may suffer financial or reputational distress. Each of these may cause errors, misconduct, or discontinuation of services.

We may fail to escheat property timely and completely. As a result, we may incur charges, reserve strengthening, and expenses, regulatory examinations, or penalties.

Our practices and procedures may, at times, limit our efforts to contact all our customers, which may result in delayed, untimely, or missed customer payments.

Our associates, vendors, non-employee sales agents, customers, or others may commit fraud against us. Our policies and procedures may be ineffective in preventing, detecting or mitigating fraud and other illegal or improper acts.

We may fail to attract, motivate and retain employees, develop talent, and plan for management succession. The institution of protocols relating to the COVID-19 pandemic and policies relating to workplace flexibility may exacerbate these concerns. Additionally, attrition could cause a lapse in implementation of policies and procedures.

Notwithstanding our compliance with regulatory and accounting requirements in relation to internal controls and our conclusion that internal control over financial reporting is effective as of the date reported, the Company's internal controls have in the past proved, and there is a risk that they may in the future prove, to be deficient or ineffective.

***We May Fail to Protect the Confidentiality and Integrity of Our Data, Including As a Result of a Failure in Our Cybersecurity or Other Information Security Systems or Our Disaster Recovery Plans or Those of Our Vendors***

Our business is highly dependent upon the effective operation of our information systems, and those of our service providers, vendors, and other third parties. Our business relies on the proper functioning of these systems, including processing claims, transactions and applications, providing information to customers and distributors, performing actuarial analyses, retaining customer and business records and other core business functions. A failure in the security of such systems, use by our employees or agents of unauthorized tools, software or other technology to communicate with customers or business counterparties or a failure to maintain the security of our internal or external vendors' systems, or the confidential information stored thereon, may adversely affect our ability to conduct business, result in regulatory enforcement action and litigation, and harm our results of operations, financial condition and reputation.

We, our employees, and our vendors, like other commercial entities, continue to be targeted by or subject to computer viruses or other malicious code, unauthorized or fraudulent access, human errors, ransomware or cyber-attacks, and other breaches or incidents affecting our cybersecurity and information security systems. Globally, the frequency, severity and sophistication of cybersecurity incidents have increased, and these trends may continue. While we have implemented, and we require our critical vendors to implement, what we believe to be reasonable and appropriate cybersecurity and data protection measures, including a formal risk-based information security program, our efforts to minimize the risk of cyber-incidents and protect our information technology may be insufficient to prevent material break-ins, attacks, fraud, security breaches or other unauthorized access to our and our vendors' systems, including as a result of software code that contains vulnerabilities that may increase the potential of cyber-attacks or unauthorized access. We may not timely detect such incidents. If we or our vendors fail to prevent, detect, address and mitigate such incidents, we may suffer significant financial and reputational harm. There is no assurance that our security measures or those of our vendors, including information security policies, administrative, technical and physical controls and other actions designed as preventative, will provide fully effective protection from such events.

In addition, we routinely transmit, receive and store personal, confidential and proprietary information by electronic means, including customers' confidential health-related information. Although we attempt to keep such information confidential and secure, we may be unable to do so in all events, and we or our vendors may also fail to maintain adequate internal controls or comply with relevant policies and procedures designed to ensure the privacy and integrity of sensitive data. Such failure may result in our or our vendors' intentional or unintentional disclosure or misuse of confidential information, as well as others' misappropriation of such confidential information, which could damage our reputation, reduce demand for our products and services and subject us to significant legal and regulatory liability and expenses, which would harm our business, results of operations and financial condition.

We, our vendors, our reinsurers, and our customers may suffer disasters such as a natural catastrophe, epidemic, pandemic, industrial accident, blackout, computer virus, terrorist attack, ransomware or cyber-attack, or war, and ours or their disaster recovery systems may be insufficient to safeguard our ability to conduct normal business operations, obtain reinsurance and maintain our critical business or information technology systems in such circumstances, particularly if such disasters affect computer-based data processing, transmission, storage and retrieval systems and/or destroy or otherwise adversely impact the confidentiality, integrity or availability of valuable data or the financial wherewithal of reinsurers or vendors. Our ability to conduct business effectively and maintain the security, integrity, confidentiality or privacy of sensitive data could be severely compromised if, as a result of such disaster, key personnel are unavailable, or our vendors' ability to provide goods and services and our associates' ability to perform their job responsibilities are impaired. We may not carry business interruption insurance sufficient to protect us from all losses that may result from such interruptions, and any insurance for liability, operational and other risks may become less readily available or more expensive in the future.

We may not be able to reliably access all the documents and records in the information storage systems we use, whether electronic or physical. We may fail to obtain or maintain all the records we need to administer and establish appropriate reserves for benefits and claims accurately and timely. If a data breach exposed any of our sensitive financial information, then customers, investors, or regulators may develop an inaccurate perception of our financial condition or results of operations. We could be compelled to publicly disclose information prematurely in order to dispel such inaccurate perceptions, or in order to fulfill our disclosure obligations, even if we do not believe the information is yet completely reliable or confirmed per our usual internal controls and disclosure controls. This may result in harm to our reputation.



Regulators' or others' scrutiny of cybersecurity, including new laws or regulations, could increase our compliance costs and operational burdens, especially as regulatory and legislative focus on cybersecurity matters intensifies, which could lead to more enforcement actions of such laws or regulations. See "Business — Regulation — Cybersecurity, Privacy and Data Protection Regulation" for additional information. Regulators, customers, or others may act against us for any cybersecurity failures. We also have an increasing challenge of attracting and retaining highly qualified personnel to assist us in combating these security threats. Our continuous technological evaluations and enhancements, including changes designed to update our protective measures, may increase our risk of a breach or gap in our security. We may incur higher costs to comply with laws on, or regulators' scrutiny of, our use, collection, management, or transfer of data and other privacy practices. We are continuously evaluating and enhancing our cybersecurity and information security systems and creating new systems and processes. However, there can be no assurance that these measures will be effective in preventing or limiting the impact of future cybersecurity incidents.

***We May Face Changes in Accounting Standards***

Authorities may change accounting standards that apply to us, and we may adopt changes earlier than required. Changes in accounting rules applicable to our business may have an adverse impact on our results of operations and financial condition. For a discussion of the impact of U.S. GAAP accounting pronouncements issued but not yet implemented, see Note 1 of the Notes to the Consolidated Financial Statements.

***Our Associates May Take Excessive Risks***

Our associates, including executives and others who manage sales, investments, products, wholesaling, underwriting, and others, may take excessive risks. Our compensation programs and practices, and our other controls, may not effectively deter excessive risk-taking or misconduct.

***We May Have Difficulty in or Complications from Marketing and Distributing Our Products***

Our product distributors may suspend, alter, reduce or terminate their distribution relationships with us if we change our strategy, if our business performance declines, as a result of rating agency actions or concerns about market-related risks, or for regulatory or other reasons. Our distributors may merge, change their business models in ways that affect us, or terminate their distribution contracts with us, and new distribution channels could emerge, harming our distribution efforts. Distributors may try to renegotiate the terms of any existing selling agreements to less favorable terms due to consolidation or other industry changes or for other reasons. Disruption or changes to our relationships with our distributors could harm our ability to market our products.

Our employees or unaffiliated firms or agents may distribute our products in an inappropriate manner, or our customers may not understand them or whether they are suitable.

***We May Change Our Pension and Other Postretirement Benefit Plans Assumptions***

We may change our discount rate, rate of return on plan assets, mortality rate, compensation level or medical trends assumptions, harming our benefit plan estimates.

***We May be Unable to Protect Our Intellectual Property and May Face Infringement Claims***

We may be unable to prevent third parties from infringing on or misappropriating our intellectual property. We may incur litigation costs to enforce and protect it or to determine its scope or validity, and we may not be successful.

In addition, we may be subject to claims by third parties for infringement of intellectual property, breach of license usage rights, or misappropriation of trade secrets. We may incur significant expenses for any such claims. If we are found to have infringed or misappropriated a third-party intellectual property right, we may be enjoined from providing certain products or services to our customers or from utilizing and benefiting from certain intellectual property. Alternatively, we could be required to enter into costly licensing arrangements with third parties or implement a costly alternative.

## **Risks Related to Acquisitions, Dispositions or Other Structural Changes**

### ***We May Face Difficulties, Unforeseen Liabilities, Asset Impairments or Rating Actions from Business Acquisitions or Integrating and Managing Growth of Such Businesses, Dispositions of Businesses, or Legal Entity Reorganizations***

Acquisitions and dispositions of businesses, joint ventures, and other structural changes expose us to a number of risks arising from, among other factors, economic, operational, strategic, financial, tax, legal, regulatory, and compliance. As a result, there can be no assurance that any acquisition, disposition or reorganization will be completed as contemplated, or at all. We may not realize the anticipated economic, strategic or other benefits of any transaction. Effecting these transactions may result in unforeseen expenditures and liabilities or a performance different than we expected. The areas where we face risks include, among others, rights to indemnification for losses, regulatory, liquidity and capital requirements, loss of customers, distributors, vendors and key personnel, diversion of management time and resources to acquisition integration challenges or growth strategies from maximizing business value, and inability to realize anticipated efficiencies. Our success in conducting business through joint ventures will depend on our ability to manage a variety of issues, including: (i) our exposure to additional operational, financial, legal, tax or compliance risks as a result of entry into certain joint ventures; (ii) our dependence on a joint venture counterparty given limits on our ownership or distribution requirements, as well as for resources, including capital and product distribution, may reduce our control over, financial returns from, or the value of a joint venture; and (iii) our counterparties' cooperation or their ability to meet obligations, or election to alter, modify or terminate a relationship.

Reorganizing or consolidating the legal entities through which we conduct business may raise similar risks. Our success in realizing the benefits from legal entity reorganizations will also depend on our management of various issues, including regulatory approvals, modification of our operations and changes to our investment portfolios or derivatives hedging activities.

Any of these risks, if realized, could prevent us from achieving the benefits we expect from such transactions.

### ***We May Face Risks Related to Our Separation from Brighthouse***

We may not realize any or all of the expected tax or other benefits of the Brighthouse separation. Brighthouse may not succeed, causing litigation or regulatory claims against us.

## **Governance Risks**

### ***MetLife, Inc.'s Board of Directors May Influence the Outcome of Stockholder Votes on Matters Due to the Voting Provisions of the MetLife Policyholder Trust***

Our Board of Directors may be able to influence stockholder votes by virtue of the provisions of the MetLife Policyholder Trust and the number of shares of MetLife, Inc. common stock held in it. Trust beneficiary vote instructions are likely to have disproportionate weight on votes concerning certain fundamental corporate actions because the trustee will vote all the shares of common stock held by the trust in proportion to those instructions actually received.

We may incur regulatory, mailing, or other costs related to the termination of the trust, distribution of the common stock held in the trust to beneficiaries and the resulting increase in the number of shareholders with full voting rights. This increase may affect the outcome of matters brought to a stockholder vote and other aspects of our corporate governance.

### ***State or Federal Laws, or MetLife, Inc.'s Certificate of Incorporation and By-Laws, May Delay, Deter or Prevent Takeovers and Business Combinations***

State laws, federal laws and MetLife, Inc.'s certificate of incorporation and by-laws may delay, deter or prevent a takeover attempt that stockholders might consider favorable. These provisions may adversely affect the price of MetLife, Inc.'s common stock if they discourage takeover attempts.

Stockholders' changes to MetLife, Inc.'s corporate governance may make it more difficult for the Board of Directors to protect stockholders' interests.

## **Item 1B. Unresolved Staff Comments**

MetLife has no unresolved comments from the SEC staff regarding its periodic or current reports under the Exchange Act.

## Item 1C. Cybersecurity

### *Cybersecurity Management & Strategy*

We manage information security risk through, and as part of, MetLife's Information Security Program (the "Program"), which institutes and maintains controls for the systems, applications, and databases of the Company and of its third-party providers. The primary goal of the Program is to protect the confidentiality, integrity and availability of all data MetLife owns or possesses, as well as its technology assets, through physical, technical, and administrative safeguards. This includes controls and procedures for monitoring, detecting, reporting, containing, managing, and remediating cyber threats. The Program aims to prevent data exfiltration, manipulation, and destruction, as well as system and transactional disruption. The Program's threat-centric and risk-based approach for securing the MetLife environment takes into consideration applicable guidelines from the cybersecurity framework developed by the U.S. Government's National Institute of Standards and Technology, and is managed by MetLife's CISO, in collaboration across lines of business and corporate functions. Our Board of Directors oversees the Program.

The key features of the Program include:

- A cybersecurity incident response team under the CISO's direction, which is responsible for monitoring and responding to threats, vulnerabilities, and incidents.
- An incident response plan that is managed by the CISO and our Privacy Office and tested through cross-functional annual exercises in various geographical regions of the Company, many of which include participation from senior executives and the Board of Directors.
- Information security policies and procedures that are reviewed at least annually and updated to reflect applicable changes in law, technology, practice and emerging threats.
- Regular network and application testing and surveillance.
- Periodic review of threats, vulnerabilities and other cybersecurity risks, internal and external.
- Risk mitigation strategies, including annual internal and third-party risk assessments, as well as cybersecurity and privacy liability insurance intended to defray costs associated with an information security breach.
- Vendor management procedures designed to identify and address potential risks associated with the use of third-party service providers.
- Employee training programs on information security, data security, and cybersecurity practices and protection of data against cyber threats, at least annually.
- A cross-functional approach to addressing cybersecurity risk, with participation from Global Technology & Operations, Risk, Compliance, Legal, Privacy and Internal Audit functions.

We exercise risk-based due diligence in selecting our third-party service providers, including, as appropriate, review of vendor applications, general IT controls and the IT facilities used to service MetLife's business. Third parties are governed by the MetLife Third-Party Risk Management program, which includes risk assessment prior to onboarding. Based on the assessment of risk, certain third-party service providers must periodically update relevant assessment documentation and be reevaluated by MetLife relative to their internal controls. Vendors deemed critical and high risk are continuously monitored by various industry solutions and services designed to identify cybersecurity risks.

We also work with third parties, such as independent assessors (for example, for industry maturity assessments, penetration testing, application security reviews, and independent audits), external legal counsel and other consultants as part of the design and implementation of the Program. The Program is periodically evaluated by external experts, and the results of those reviews are reported to the Board of Directors.

During the period covered by this report, we have not identified risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, that have materially affected or are reasonably likely to materially affect MetLife, including its business strategy, results of operations or financial condition. For further discussion of MetLife's risks related to cybersecurity, see "Risk Factors — Operational Risks — We May Fail to Protect the Confidentiality and Integrity of Our Data, Including As a Result of a Failure in Our Cybersecurity or Other Information Security Systems or Our Disaster Recovery Plans or Those of Our Vendors."

### ***Cybersecurity Governance***

The CISO is a senior-level executive responsible for establishing and executing the Company's information security strategy. Management provides regular reports to the CISO detailing on-going cybersecurity risk management. The CISO and the head of Global Technology & Operations present updates to the Audit Committee quarterly and, as necessary, to our full Board of Directors. These regular reports include updates on our performance preparing for, preventing, detecting, responding to and recovering from cyber incidents. The Audit Committee also reviews with management, as necessary, but at least annually, the adequacy and effectiveness of the Company's policies and internal controls regarding information security and cybersecurity. Additionally, the CISO periodically and on an event-driven basis informs and updates the Board of Directors about information security incidents and the related risks posed to the Company.

The Program is subject to MetLife's risk management framework and operates under the "Three Lines of Defense" model MetLife uses. The CISO regularly reports about information security risk to the Enterprise Risk Committee ("ERC"), including the Chief Risk Officer ("CRO"), and other members of the senior management team. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Risk Management."

The CISO, who oversees an organization that supports the day-to-day operation of the Program, is qualified in the areas of data protection and cybersecurity, having more than twenty years of professional IT experience in financial services. Prior to his current role, the CISO previously served as MetLife's Global Chief Technology Officer with accountability for the Company's global infrastructure, engineering, service operations, quality assurance, application maintenance, and production management functions; he also served variously as the chief technology officer, CISO, chief information officer and global head of telecommunications engineering at other financial institutions prior to joining MetLife in 2012.

### **Item 2. Properties**

Not applicable.

### **Item 3. Legal Proceedings**

See Note 24 of the Notes to the Consolidated Financial Statements.

### **Item 4. Mine Safety Disclosures**

Not applicable.

**Part II**

**Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities**

***Issuer Common Equity***

MetLife, Inc.’s common stock, par value \$0.01 per share, began trading on the New York Stock Exchange under the symbol “MET” on April 5, 2000.

At February 8, 2024, there were 72,491 stockholders of record of our common stock.

See Item 12 for information about our equity compensation plans.

***Issuer Purchases of Equity Securities***

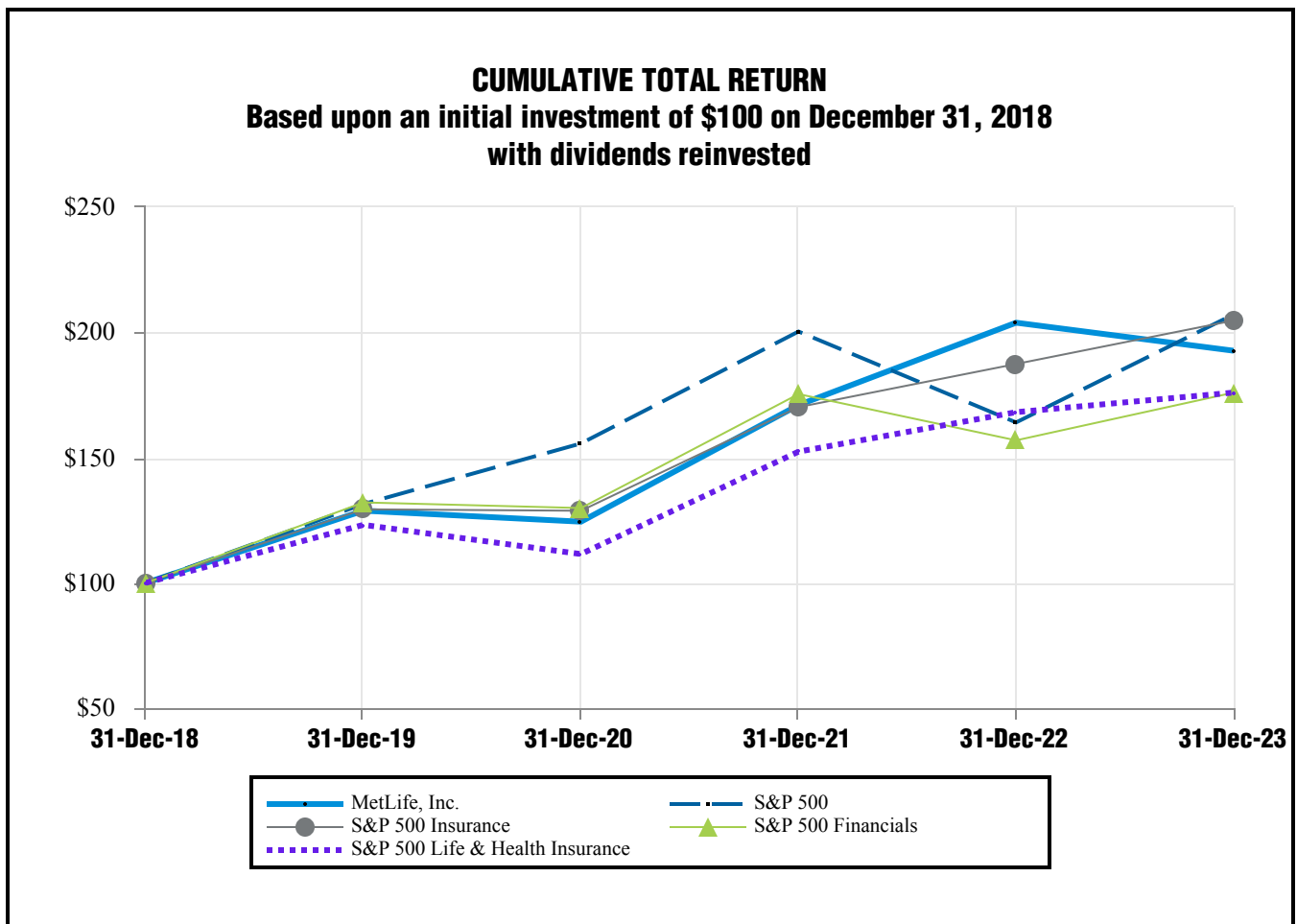
Purchases of MetLife, Inc. common stock made by or on behalf of MetLife, Inc. or its affiliates during the quarter ended December 31, 2023 are set forth below:

<b>Period</b>	<b>Total Number of Shares Purchased (1)</b>	<b>Average Price Paid per Share</b>	<b>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs</b>	<b>Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs (2)</b>
October 1 - October 31, 2023	4,187,473	\$61.64	4,187,473	\$2,702,488,522
November 1 - November 30, 2023	4,802,596	\$61.64	4,802,596	\$2,406,473,310
December 1 - December 31, 2023	4,676,556	\$65.00	4,676,556	\$2,102,489,232
<b>Total</b>	<b>13,666,625</b>		<b>13,666,625</b>	

- (1) During the periods October 1 through October 31, 2023, November 1 through November 30, 2023 and December 1 through December 31, 2023, there were no purchases by separate account index funds of MetLife, Inc. common stock on the open market in non-discretionary transactions.
- (2) In May 2023, MetLife, Inc. announced that its Board of Directors authorized a total of \$4.0 billion of common stock repurchases. At December 31, 2023, MetLife, Inc. had \$2.1 billion of common stock repurchases remaining under the authorizations. Neither the authorization remaining, nor the amount repurchased, at December 31, 2023 reflects the \$8 million of applicable excise tax payable in connection with such repurchases for the quarter ended December 31, 2023. For more information on common stock repurchases and the related excise tax, see Note 19 of the Notes to the Consolidated Financial Statements. See also “Risk Factors — Capital Risks — We May Not be Able to Pay Dividends or Repurchase Our Stock Due to Legal and Regulatory Restrictions or Cash Buffer Needs.”

***Common Stock Performance Graph***

The graph and table below compare the total return on our common shares with the total return on the S&P Global Ratings (“S&P”) 500, S&P 500 Insurance, S&P 500 Financials and S&P 500 Life & Health Insurance indices, respectively, for the five-year period ended on December 31, 2023. The graph and table show the total return on a hypothetical \$100 investment in our common shares and in each index, respectively, on December 31, 2018, including the reinvestment of all dividends. The graph and table below shall not be deemed to be “soliciting material” or to be “filed,” or to be incorporated by reference in future filings with the SEC, or to be subject to the liabilities of Section 18 of the Exchange Act, except to the extent that we specifically incorporate it by reference into a document filed under the Securities Act or the Exchange Act.



	As of December 31,					
	2018	2019	2020	2021	2022	2023
MetLife, Inc. common stock	\$ 100.00	\$ 128.84	\$ 124.44	\$ 171.01	\$ 203.90	\$ 192.70
S&P 500	100.00	131.49	155.68	200.37	164.08	207.21
S&P 500 Insurance	100.00	129.38	128.81	170.19	187.42	204.78
S&P 500 Financials	100.00	132.13	129.89	175.40	156.92	175.99
S&P 500 Life & Health Insurance	100.00	123.18	111.51	152.41	168.18	176.00

Item 6. Reserved

**Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations**

**Index to Management’s Discussion and Analysis of Financial Condition and Results of Operations**

	<u>Page</u>
<a href="#">Forward-Looking Statements and Other Financial Information</a>	48
<a href="#">Consolidated Company Outlook</a>	48
<a href="#">Industry Trends</a>	49
<a href="#">Summary of Critical Accounting Estimates</a>	55
<a href="#">Acquisitions and Dispositions</a>	63
<a href="#">Results of Operations</a>	64
<a href="#">Investments</a>	89
<a href="#">Derivatives</a>	105
<a href="#">Liquidity and Capital Resources</a>	105
<a href="#">Adopted Accounting Pronouncements</a>	117
<a href="#">Future Adoption of Accounting Pronouncements</a>	117
<a href="#">Non-GAAP and Other Financial Disclosures</a>	118
<a href="#">Risk Management</a>	121

## **Forward-Looking Statements and Other Financial Information**

For purposes of this discussion, “MetLife,” the “Company,” “we,” “our” and “us” refer to MetLife, Inc., a Delaware corporation incorporated in 1999, its subsidiaries and affiliates. This discussion should be read in conjunction with “Note Regarding Forward-Looking Statements,” “Risk Factors,” “Quantitative and Qualitative Disclosures About Market Risk” and the Company’s consolidated financial statements included elsewhere herein.

This Management’s Discussion and Analysis of Financial Condition and Results of Operations may contain or incorporate by reference information that includes or is based upon forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. See “Note Regarding Forward-Looking Statements” for cautionary language regarding forward-looking statements.

This Management’s Discussion and Analysis of Financial Condition and Results of Operations includes references to our performance measures, adjusted earnings and adjusted earnings available to common shareholders, that are not based on GAAP. See “— Non-GAAP and Other Financial Disclosures” for definitions and a discussion of these and other financial measures, and “— Results of Operations” and “— Investments” for reconciliations of historical non-GAAP financial measures to the most directly comparable GAAP measures.

### **Consolidated Company Outlook**

Our outlook reflects continued uncertainty around inflation and unemployment in 2024. We expect the U.S. dollar to stabilize around current levels.

Based on the forward yield curve as of December 31, 2023, we expect long-term interest rates to remain largely unchanged in 2024 with the yield curve steepening, as short-term interest rates decline. We believe that our investment portfolio is highly diversified and positioned to perform well in a variety of economic scenarios. See “— Industry Trends — Impact of Market Interest Rates” for discussion of the mitigating actions the Company has taken to reduce interest rate sensitivity, as market interest rates are a key driver of our results.

As of December 31, 2023, we had \$5.2 billion of cash and liquid assets at the holding companies which is above the high end of our \$3.0 billion to \$4.0 billion holding company cash target. In 2024, we expect to maintain this holding company cash target.

Our continued capital stress testing and longstanding commitment to liquidity position us to withstand a variety of economic conditions. We do not expect any material liquidity deficiencies, and we expect to remain able to comply with the financial covenants of our credit agreements. See “— Liquidity and Capital Resources.” We will continue reviewing accounting estimates, asset valuations and various financial scenarios for capital and liquidity implications. See “— Investments — Current Environment” and “Risk Factors” for additional information.

Assuming (i) interest rates following the observable forward yield curves as of December 31, 2023, including a 10-year U.S. Treasury rate of 3.84% at December 31, 2024, (ii) S&P 500 equity index annual return of 5% over the near-term, and (iii) private equity annual returns between 7% to 10% over the near-term which is below our long-term historical returns of 12% and assumes continued pressure in the first quarter of 2024 before trending higher; we expect to maintain the two-year average annual ratio of free cash flow to adjusted earnings, excluding total notable items, at 65% to 75%.

Further, based on the aforementioned assumptions, we are maintaining our target for adjusted return on equity, excluding accumulated other comprehensive income (“AOCI”) other than foreign currency translation adjustments (“FCTA”) and total notable items, of 13% to 15% over the near-term. Lastly, we expect to exceed our goals to generate approximately \$20.0 billion of free cash flow and make available an additional \$1.0 billion to invest in growth and innovation, over the time period of 2020 through 2024.

Based on our continued focus on expense discipline, building capacity to reinvest in growth initiatives and our overall efficiency mindset, we are lowering our full year direct expense ratio target, excluding total notable items related to direct expenses and pension risk transfers, from 12.6% to 12.3% over the near-term.

Our outlook relies on the accuracy of our assumptions about future economic and business conditions, which can be affected by known and unknown risks, uncertainties and other factors. We continually review our assumptions, implement mitigation plans, and take precautions. We may revise our outlook as we obtain more information regarding economic conditions, regulatory changes, and other events, and the impact of these events on our business operations, investment portfolio, derivatives, financial results and financial condition.



## **Industry Trends**

We continue to be impacted by the changing global financial and economic environment that has been affecting the industry.

### ***Financial and Economic Environment***

Our business and results of operations are materially affected by conditions in the global financial markets and the economy generally due to our market presence in numerous countries, our large investment portfolio and the sensitivity of our insurance liabilities and derivatives to changing market factors.

We are closely monitoring political and economic conditions that might contribute to global market volatility and impact our business operations, investment portfolio and derivatives, such as global inflation, supply chain disruptions, acts of war and banking sector volatility. We are also monitoring the imposition of tariffs, sanctions or other barriers to international trade, changes to international trade agreements, and their potential impacts on our business, results of operations and financial condition. See “— Impact of Market Interest Rates — Effects of Inflation,” and “— Investments — Current Environment.”

Governments and central banks around the world are using fiscal and monetary policies to address uncertain economic conditions. In the U.S., the Federal Reserve Board and the Federal Open Market Committee took various actions in 2023 to promote economic stability and combat inflation, including raising interest rates, although rates have remained steady over the last few months, reflecting lower inflation. The European Central Bank and Bank of England have been taking similar actions. In contrast, the Bank of Japan (“BoJ”) has mostly kept its monetary policy settings on hold, reflecting a more cautious view on growth and inflation. The Japanese yen has weakened against the U.S. dollar as monetary policy divergence has widened between the BoJ and the Federal Reserve Board.

### ***Impact of Market Interest Rates***

Market interest rates are a key driver of our results. Increases and decreases in such rates, as well as extended periods of stagnation, may impact our business and investments in various ways.

#### ***Effects of Inflation***

Management believes that while inflation has not had a material effect on the Company’s consolidated results of operations, except insofar as inflation may affect interest rates, both rising interest rates and inflation will have a neutral to modest impact on our business. See “— Impact of a Rising Interest Rate Environment” and “— Interest Rate Scenarios.”

An increase in inflation could affect our business in several ways. In our group life and disability businesses, premiums increase as compensation levels of our customers’ employees increase. However, during inflationary periods with rising interest rates, the value of fixed income investments falls which could increase realized and unrealized losses, resulting in additional deferred tax assets that may not be realizable. Inflation also increases expenses for labor and other costs, potentially putting pressure on profitability if such costs cannot be passed through in our product prices. Prolonged and elevated inflation could adversely affect the financial markets and the economy generally, and dispelling it may require governments to pursue a restrictive fiscal and monetary policy, which could constrain overall economic activity, inhibit revenue growth and reduce the number of attractive investment opportunities.

#### ***Impact of a Sustained Low Interest Rate Environment***

Sustained periods of low U.S. interest rates may cause us to:

- Reduce the difference between interest credited to policyholders and interest earned on supporting assets (“gross margin”);
- Reinvest investment proceeds in lower yielding assets and experience higher frequency prepayment or redemption of assets in our portfolio;
- Increase our reserves related to policy liabilities and potentially impair intangible assets;
- Reduce interest expense, change pension and other post-retirement benefit calculations, and change derivative cash flows and market values;
- Change our product offerings, design features, crediting rates and sales mix; and
- Experience changing policyholder behavior, including surrender or withdrawal activity.

For additional discussion on gross margin and interest rate assumptions, as well as the potential impact of low interest rates, see “— Results of Operations — Consolidated Results — Year Ended December 31, 2023 Compared with the Year Ended December 31, 2022 — Actuarial Assumption Review;” “Risk Factors — Economic Environment and Capital Markets Risks — We May Face Difficult Economic Conditions — Interest Rate Risks;” “Risk Factors — Business Risks — We May Be Required to Impair VOBA, VODA or VOCRA;” “Risk Factors — Business Risks — We May Be Required to Recognize an Impairment of Our Goodwill or Other Long-Lived Assets or to Establish a Valuation Allowance Against Our Deferred Income Tax Assets;” and “Risk Factors — Business Risks — We May Face Volatility, Higher Risk Management Costs, and Increased Counterparty Risk Due to Guarantees Within Certain of Our Products.”

### ***Impact of a Rising Interest Rate Environment***

Periods of rising U.S. interest rates may cause us to:

- Reinvest investment proceeds in higher yielding assets and experience lower frequency prepayment or redemption of assets in our portfolio;
- Decrease the value of our reserves related to policy liabilities;
- Increase interest expense, change pension and other post-retirement benefit calculations, and change derivative cash flows and market values; and
- Change our product offerings, design features, crediting rates and sales mix.

For additional discussion on the potential impact of rising interest rates, see “Risk Factors — Investment Risks — We May Change Our Securities and Investments Valuation, or Take Allowances and Impairments on Our Investments, or Change Our Methodologies, Estimations, and Assumptions.”

### ***Management Actions***

To manage the impact of a changing U.S. interest rate environment, we maintain diversification across products, distribution channels, and geographies while proactively evaluating interest rate and product strategies. In addition, we apply disciplined asset/liability management (“ALM”) strategies, including the use of derivatives. Our ability to take such actions may be limited by competition, regulatory approval requirements, or minimum crediting rate guarantees and may not match the timing or magnitude of interest rate changes.

In addition to proactive management strategies, businesses within our Latin America, EMEA, and Asia (exclusive of our Japan business) segments help manage impacts to our consolidated results given their limited U.S. interest rate sensitivity.

For additional discussion on interest rate risk management and our ability to change interest crediting rates or dividend scales, see “Risk Factors — Economic Environment and Capital Markets Risks — We May Face Difficult Economic Conditions — Interest Rate Risks;” “— Risk Management;” and “Quantitative and Qualitative Disclosures About Market Risk — Management of Market Risk Exposures,” as well as Notes 5 and 6 of the Notes to the Consolidated Financial Statements.

### ***Interest Rate Scenarios***

To illustrate our sensitivity to U.S. interest rates, we compared the outcome of two hypothetical interest rate environments (the “Declining Interest Rate Scenario” and “Rising Interest Rate Scenario”) relative to our baseline economic assumptions (the “Base Scenario”) through 2026.

The Declining Interest Rate Scenario assumes U.S. interest rates for all maturities decline immediately on January 1, 2024 by 50 basis points compared to the Base Scenario through 2026. The Rising Interest Rate Scenario assumes U.S. interest rates rise immediately on January 1, 2024 by 50 basis points through 2026. Other than changing U.S. interest rates through 2026, all other economic assumptions are equivalent in the Base Scenario, Declining Interest Rate Scenario and Rising Interest Rate Scenario.

The following table compares the most relevant interest rate assumptions for the dates indicated:

	Years Ended December 31,								
	2024			2025			2026		
	Base Scenario	Declining Interest Rate Scenario	Rising Interest Rate Scenario	Base Scenario	Declining Interest Rate Scenario	Rising Interest Rate Scenario	Base Scenario	Declining Interest Rate Scenario	Rising Interest Rate Scenario
SOFR	3.99%	3.49%	4.49%	3.08%	2.58%	3.58%	3.03%	2.53%	3.53%
10-year U.S. Treasury	3.84%	3.34%	4.34%	3.93%	3.43%	4.43%	4.04%	3.54%	4.54%
30-year U.S. Treasury	3.97%	3.47%	4.47%	3.97%	3.47%	4.47%	3.99%	3.49%	4.49%

*Hypothetical Impact to Net Derivative Gains (Losses), Market Risk Benefit Remeasurement (Gains) Losses and Adjusted Earnings*

We estimate a net favorable impact to net derivative gains (losses) for 2024 through 2026 for the hypothetical Declining Interest Rate Scenario. We hold significant positions in long-duration receive-fixed U.S. interest rate swaps, which are most sensitive to the 10-year and 30-year swap rates, to hedge reinvestment risk. We estimate a net unfavorable impact to net derivative gains (losses) for 2024 through 2026 for the hypothetical Rising Interest Rate Scenario.

We estimate a net unfavorable impact to market risk benefit remeasurement (gains) losses for 2024 through 2026 for the hypothetical Declining Interest Rate Scenario. Under the hypothetical Declining Interest Rate Scenario, we expect the market risk benefit (“MRB”) reserves to increase due to discounting the future cash flows at a lower rate. We estimate a net favorable impact to market risk benefit remeasurement (gains) losses for 2024 through 2026 for the hypothetical Rising Interest Rate Scenario. Under the hypothetical Rising Interest Rate Scenario, we expect the MRB reserves to decrease due to discounting the future cash flows at a higher rate.

We estimate a net unfavorable impact to consolidated adjusted earnings for 2024 through 2026 for the hypothetical Declining Interest Rate Scenario. The negative impact of reinvesting cash flows in lower yielding assets is partially offset by lowering interest crediting rates and dividend scales on products, and additional derivative income. We estimate a net favorable impact to consolidated adjusted earnings for 2024 through 2026 for the hypothetical Rising Interest Rate Scenario. The positive impact of reinvesting cash flows in higher yielding assets is partially offset by increased interest crediting rates and dividend scales on products and lower derivative income.

The following table summarizes the hypothetical impact on net derivative gains (losses), market risk benefit remeasurement (gains) losses and adjusted earnings for certain of our segments, as well as Corporate & Other, for the Declining Interest Rate Scenario:

	Years Ended December 31,		
	2024	2025	2026
(In millions, net of income tax)			
<b>Revenues</b>			
Net Derivative Gains (Losses)	\$ 292	\$ (50)	\$ (23)
<b>Expenses</b>			
Market Risk Benefit Remeasurement (Gains) Losses	\$ 545	\$ (7)	\$ (10)
<b>Adjusted Earnings</b>			
Group Benefits	\$ 3	\$ (12)	\$ (24)
RIS	(26)	(20)	(18)
Asia (Japan only)	(10)	(24)	(36)
MetLife Holdings	(15)	(23)	(41)
Corporate & Other	(2)	(17)	(25)
<b>Total Adjusted Earnings Impact</b>	<b>\$ (50)</b>	<b>\$ (96)</b>	<b>\$ (144)</b>

The following table summarizes the hypothetical impact on net derivative gains (losses), market risk benefit remeasurement (gains) losses and adjusted earnings for certain of our segments, as well as Corporate & Other, for the Rising Interest Rate Scenario:

	Years Ended December 31,		
	2024	2025	2026
(In millions, net of income tax)			
<b>Revenues</b>			
Net Derivative Gains (Losses)	\$ (177)	\$ 25	\$ 8
<b>Expenses</b>			
Market Risk Benefit Remeasurement (Gains) Losses	\$ (466)	\$ 7	\$ 10
<b>Adjusted Earnings</b>			
Group Benefits	\$ (3)	\$ 12	\$ 24
RIS	24	21	20
Asia (Japan only)	10	24	38
MetLife Holdings	28	26	41
Corporate & Other	5	19	25
<b>Total Adjusted Earnings Impact</b>	<b>\$ 64</b>	<b>\$ 102</b>	<b>\$ 148</b>

*Segments and Corporate & Other*

The primary drivers impacting certain of our segments, as well as Corporate & Other, in the hypothetical interest rate scenarios are summarized below. Our Latin America, EMEA, and Asia (exclusive of our Japan business) segments are excluded given their limited U.S. interest rate sensitivity. For additional information regarding account values subject to minimum crediting rate guarantees, the maturity profile of fixed maturity securities available-for-sale (“AFS”), and the yield on invested assets, see “— Investments,” and Notes 5 and 11 of the Notes to the Consolidated Financial Statements.

## Group Benefits

*Declining Interest Rate Scenario.* Our group life insurance products are primarily renewable term policies. This provides repricing flexibility to mitigate the negative impact of reinvesting in lower yielding assets.

Our retained asset accounts experience gross margin compression due to minimum crediting rate guarantees. Additionally, we experience gross margin compression from our disability policy claim reserves for which crediting rates cannot be reduced. We use interest rate derivatives to mitigate gross margin compression for both products.

Gross margin compression is limited for our group disability products, which are generally renewable term policies allowing for crediting rate adjustments at renewal based on the retrospective experience rating and the prevailing interest rate assumptions.

*Rising Interest Rate Scenario.* We reinvest our cash flows from our group insurance products in higher yielding assets, mitigating the impact of (i) higher interest crediting rates on, primarily, our retained asset accounts, and (ii) lower income from our derivative positions used to mitigate low interest rate margin compression.

## Retirement and Income Solutions

This business contains both short- and long-duration products consisting of capital market products, pension risk transfers, structured settlements, and other benefit funding products.

The two hypothetical interest rate scenarios do not assume any additional ALM actions we may take to preserve margins.

*Declining Interest Rate Scenario.* A significant portion of short-duration products are managed on a floating rate basis, which mitigates gross margin compression. Our long-duration products have very predictable cash flows and we use both interest rate derivatives and asset/liability duration matching to mitigate gross margin compression. These mitigating strategies partially offset the negative impact of reinvesting in lower yielding assets. Based on our investment portfolios and expected cash flows, only a small portion of invested assets are subject to reinvestment risk through 2026.

*Rising Interest Rate Scenario.* Our long-duration products, which have very predictable cash flows, benefit from reinvesting in higher yielding assets, which is partially offset by the negative impact of lower income from derivative positions designed to protect against a low interest rate environment. A significant portion of our short-duration products are managed on a floating rate basis. The negative impact of higher crediting rates on these short-duration products is partially offset by higher income from derivative positions designed to protect against a rising interest rate environment.

## Asia (Japan Only)

*Declining Interest Rate Scenario.* Our Japan business offers traditional life insurance and accident & health products, many of which are U.S. dollar denominated. We experience gross margin compression to the extent our investment portfolios are U.S. interest rate sensitive and we are unable to offset the impact by lowering interest crediting rates. Additionally, we manage interest rate risk on our life products through a combination of product design features and ALM strategies.

Our Japan business also offers U.S. dollar denominated annuities which are predominantly single premium products with crediting rates set upon issuance. This allows for tightly managing product ALM, cash flows and net spreads, which mitigates interest rate risk.

*Rising Interest Rate Scenario.* For U.S. dollar denominated products, higher reinvestment rates on cash flows from these products more than offset the negative impacts of (i) higher interest crediting rates on such products, and (ii) lower income from derivative positions designed to protect against a low interest rate environment.

## MetLife Holdings

*Declining Interest Rate Scenario.* Our interest rate sensitive life products include traditional and universal life products. Since most of our traditional life insurance is participating, we can mitigate gross margin compression by adjusting the applicable dividend scale. For our universal life products, we manage interest rate risk through a combination of product design features and ALM strategies, including the use of interest rate derivatives. Although we are able to mitigate gross margin compression by lowering interest crediting rates on certain in-force universal life policies, these actions may be partially offset by increased liabilities for policies with secondary guarantees.

Our annuity products can experience gross margin compression primarily from deferred annuities with minimum crediting rate guarantees. While most of these contracts are either at or slightly above their minimum crediting rate, we use interest rate derivatives to manage the gross margin compression risk.

Our long-term care business experiences gross margin compression as we cannot reduce interest crediting rates for established claim reserves. Long-term care policies are guaranteed renewable, and rates may be adjusted on a class basis with regulatory approval to reflect emerging experience. We review the discount rate assumptions and other assumptions associated with our long-term care claim reserves no less frequently than annually and, with respect to interest rates, set the discount rate based on the prevailing interest rate environment.

Our retained asset accounts experience gross margin compression due to minimum crediting rate guarantees. Most of these accounts are at their minimum crediting rates and therefore we use interest rate derivatives to mitigate gross margin compression.

Based on our investment portfolios and cash flow estimates, approximately 6% of our invested assets each year are subject to reinvestment risk through 2026.

*Rising Interest Rate Scenario.* Higher reinvestment rates on cash flows, over time, more than offset the negative impacts of (i) higher interest crediting rates, and (ii) lower income from derivative positions designed to protect against a low interest rate environment.

#### Corporate & Other

Corporate & Other contains the surplus investment portfolios used to fund capital and liquidity needs, certain reinsurance agreements, collateral financing arrangements, and our outstanding debt and preferred securities. For purposes of the two hypothetical interest rate scenarios, the impact on pension and postretirement plan expenses is included within Corporate & Other and not allocated across segments.

*Declining Interest Rate Scenario.* The negative impact of reinvesting in lower yielding assets, over time, more than offsets the positive impact of lower interest expense on debt, preferred stock dividends and lower pension expense. Although low interest rates result in pension and other postretirement benefit liabilities increasing, the impact is more than offset by the corresponding returns on fixed income investments and results in lower expenses.

*Rising Interest Rate Scenario.* The positive impact of reinvesting in higher yielding assets, over time, more than offsets the negative impact of higher interest expense on debt, preferred stock dividends and higher pension expense. Although higher interest rates result in pension and other postretirement benefit liabilities decreasing, the impact is more than offset by the corresponding returns on fixed income investments and results in higher expenses.

#### **Competitive Pressures**

The life insurance industry remains highly competitive. See “Business — Competition.” Product development is focused on differentiation leading to more intense competition with respect to product features and services. Certain of the industry’s products can be quite homogeneous and subject to intense price competition. Cost reduction efforts are a priority for industry players, with benefits resulting in price adjustments to favor customers and reinvestment capacity. Larger companies have the ability to invest in brand equity, product development, technology optimization, risk management, and innovation, which are among the fundamentals for sustained profitable growth in the life insurance industry. Insurers are focused on their core businesses, specifically in markets where they can achieve scale. Insurers are increasingly seeking alternative sources of revenue; there is a focus on monetization of assets, fee-based services, and opportunities to offer comprehensive solutions, which include providing value-added services along with traditional products. Financial strength and flexibility and technology modernization are prerequisites for sustainable growth in the life insurance industry. Larger market participants tend to have the capacity to invest in analytics, distribution, and information technology and have the ability to leverage the capabilities of new digital entrants. There is a shift in distribution from proprietary to third-party models in mature markets, due to the lower cost structure. Evolving customer expectations are having a significant impact on the competitive environment as insurers strive to offer the superior customer service demanded by an increasingly sophisticated industry client base. Rising demands from stakeholders to address ESG issues have resulted in insurers expanding their sustainability efforts. Legislative and other changes affecting the regulatory environment can also affect the competitive environment within the life insurance industry and within the broader financial services industry. See “Business — Regulation.” In addition to financial strength, technological efficiency and organizational agility, we believe that the ability to adapt to changes in the competitive environment as a result of global market volatility, changing interest rates and uncertain economic conditions is a significant differentiator to success in the life insurance industry and the broader financial services industry, and we are well positioned to compete in this environment.

### ***Regulatory Developments***

In the U.S., our life insurance companies are regulated primarily at the state level, with some products and services also subject to federal regulation. As life insurers introduce new and often more complex products, regulators refine capital requirements and introduce new reserving standards for the life insurance industry. Laws and regulations recently adopted or currently under review can potentially impact the statutory reserve and capital requirements of the industry. Regulators have also undertaken market and sales practices reviews of several markets or products, including equity-indexed annuities, variable annuities and group products. See “Business — Regulation,” “Risk Factors — Economic Environment and Capital Markets Risks — Our Statutory Life Insurance Reserve Financings Costs May Increase, and We May Find Limited Market Capacity for New Financings” and “Risk Factors — Regulatory and Legal Risks — Changes in Laws or Regulation, or in Supervisory and Enforcement Policies, May Reduce Our Profitability, Limit Our Growth, or Otherwise Adversely Affect Us.”

### **Summary of Critical Accounting Estimates**

The preparation of financial statements in conformity with GAAP requires management to adopt accounting policies and make estimates and assumptions that affect amounts reported on the consolidated financial statements. Effective January 1, 2023, the Company adopted a new accounting pronouncement related to targeted improvements to the accounting for long-duration contracts (“LDTI”) with a January 1, 2021 transition date (the “Transition Date”). The effects of adoption were therefore applied for years ended December 31, 2022 and 2021, as described in Note 1 of the Notes to the Consolidated Financial Statements. This summary of critical accounting estimates reflects this adoption. For a discussion of our significant accounting policies, see Note 1 of the Notes to the Consolidated Financial Statements. The most critical estimates include those used in determining:

- (i) future policy benefit liabilities (“FPBs”), MRBs, and the accounting for reinsurance;
- (ii) estimated fair values of investments in the absence of quoted market values;
- (iii) investment allowance for credit loss (“ACL”) and impairments;
- (iv) estimated fair values of freestanding derivatives;
- (v) measurement of goodwill and related impairment;
- (vi) measurement of employee benefit plan liabilities;
- (vii) measurement of income taxes and the valuation of deferred tax assets; and
- (viii) liabilities for litigation and regulatory matters.

Due to the adoption of LDTI, the measurement model for deferred policy acquisition costs (“DAC”) and VOBA changed and the majority of the embedded derivatives met the criteria to be accounted for as MRBs; therefore, we no longer believe that DAC, VOBA and embedded derivatives are critical accounting estimates. LDTI impacted the recognition and measurement of FPBs, MRBs and reinsurance, along with the resulting impacts to deferred income taxes which are described in further detail below. The other critical accounting estimates above were not impacted by the adoption of LDTI and are described below.

In addition, the application of acquisition accounting requires the use of estimation techniques in determining the estimated fair values of assets acquired and liabilities assumed — the most significant of which relate to the aforementioned critical accounting estimates. In applying these policies and estimates, management makes subjective and complex judgments that frequently require assumptions about matters that are inherently uncertain. Many of these policies, estimates and related judgments are common in the insurance and financial services industries; others are specific to our business and operations. Actual results could differ from these estimates.

### ***Future Policy Benefit Liabilities***

Generally, FPBs are payable over an extended period of time and calculated as the present value of future expected benefits and claim settlement expenses to be paid, reduced by the present value of future expected net premiums. Such liabilities are established based on methods and underlying assumptions in accordance with GAAP and applicable actuarial standards. Principal assumptions used in the establishment of FPBs for traditional long-duration non-participating products are expectations related to mortality, morbidity, termination, claim settlement expense, policy lapse, renewal, retirement, disability incidence, disability terminations, inflation, and other contingent events as appropriate to the respective product type and geographical area. These assumptions are reviewed at least annually and updated as needed to reflect our expected experience for future periods. If net premiums exceed gross premiums (i.e., expected benefits exceed expected gross premiums), the FPBs are increased, and a corresponding adjustment is recognized in net income.

Liabilities for unpaid claims are estimated based upon our historical experience and other actuarial assumptions that consider the effects of current developments, anticipated trends and risk management programs.

Traditional non-participating long-duration and limited-payment contracts comprise the majority of MetLife's FPBs, inclusive of deferred profit liabilities, as described in Note 4 of the Notes to the Consolidated Financial Statements. For such contracts, cash flow assumptions are used to project the amount and timing of expected future benefits and claim settlement expenses to be paid and the expected future premiums to be collected for a cohort. Generally, the liabilities for these products are updated retrospectively on a quarterly basis for actual experience and at least once a year for any changes in cash flow assumptions. The change in FPBs reflected in the statement of operations is calculated using a locked-in discount rate. For contracts issued prior to the Transition Date, the Company developed a cohort level locked-in discount rate that reflects the interest accretion rates that were locked in at inception of the underlying contracts (unless there was a historical premium deficiency event that resulted in updating the interest accretion rate prior to the Transition Date), or the acquisition date for contracts acquired through an assumed in-force reinsurance transaction or a business combination. As described in Note 1 of the Notes to the Consolidated Financial Statements, for contracts issued subsequent to the Transition Date, the upper-medium grade discount rate is locked-in for the cohort and used to discount the estimated cash flows. The Company generally interprets this as a rate comparable to that of a corporate single A discount rate and reflects the duration characteristics of the liability. The FPB for all cohorts is remeasured to a current upper-medium grade discount rate at each reporting period through other comprehensive income (loss) ("OCI").

Liabilities for universal and variable universal life secondary and paid-up guarantees ("additional insurance liabilities") are determined by estimating the expected value of death benefits payable when the account balance is projected to be zero and recognizing those benefits ratably over the accumulation period based on total expected assessments. The assumptions used in estimating the secondary and paid-up guarantee liabilities are investment income, mortality, lapse, and premium payment pattern and persistency. In addition, the projected account balance and assessments used in this calculation are impacted by the earned rate on investments and the interest crediting rates, which are typically subject to guaranteed minimums. The assumptions of investment performance and volatility for variable products' separate account funds are consistent with historical experience of the appropriate underlying equity indices, such as the S&P 500 Index. These assumptions are monitored and updated retrospectively based on market conditions and historical experience on a periodic basis.

Accounting for reinsurance generally presents the income statement effect of direct policies on a net-of-reinsurance basis by using assumptions and methodologies consistent with those used to project the future performance of the underlying direct business. Further, the potential impact of counterparty credit risks is considered when measuring the reinsurance recoverables. We periodically review actual and anticipated experience compared to the aforementioned assumptions used to establish assets and liabilities relating to ceded and assumed reinsurance and evaluate the financial strength of counterparties to our reinsurance agreements using criteria similar to that evaluated in our security impairment process. See "— Investment Allowance for Credit Loss and Impairments." Additionally, for each of our reinsurance agreements, we determine whether the agreement provides indemnification against loss or liability relating to insurance risk, in accordance with applicable accounting standards. We review all contractual features, including those that may limit the amount of insurance risk to which the reinsurer is subject or features that delay the timely reimbursement of claims. If we determine that a reinsurance agreement does not expose the reinsurer to a reasonable possibility of a significant loss from insurance risk, we record the agreement using the deposit method of accounting.



We measure market risk related to our market sensitive traditional long-duration non-participating and limited-payment contracts, additional insurance liabilities and reinsurance recoverables based on changes in interest rates and foreign currency exchange rates utilizing a sensitivity analysis. The results of this sensitivity analysis are included in “Quantitative and Qualitative Disclosures About Market Risk — Risk Measurement: Sensitivity Analysis.” We have also assessed the sensitivities of hypothetical changes in significant assumptions to reported amounts related to our traditional long-duration non-participating and limited-payment contracts, additional insurance liabilities and reinsurance recoverables for products including, but not limited to, those within the disaggregated rollforwards included in Note 4 of the Notes to the Consolidated Financial Statements, as reflected in the following table:

**Traditional long-duration non-participating and limited-payment contracts, additional insurance liabilities and reinsurance recoverables**

	December 31, 2023			
	FPBs (1)	Reinsurance Recoverables	Net Effect to Pre-tax Net Income	Net Effect to OCI
	Increase / (Decrease) (In millions)			
<b>Assumptions (2):</b>				
<b>Mortality</b>				
Effect of an increase by 1%	\$ (69)	\$ 8	\$ 105	\$ (28)
Effect of a decrease by 1%	\$ 79	\$ (8)	\$ (113)	\$ 26
<b>Morbidity (3)</b>				
Effect of an increase by 5%	\$ 568	\$ 4	\$ (788)	\$ 224
Effect of a decrease by 5%	\$ (370)	\$ (4)	\$ 585	\$ (219)
<b>Lapse (4)</b>				
Effect of an increase by 10%	\$ (90)	\$ (16)	\$ 403	\$ (329)
Effect of a decrease by 10%	\$ 230	\$ 17	\$ (580)	\$ 367

- (1) FPBs are inclusive of deferred profit liabilities where applicable.
- (2) All sensitivities exclude potential changes in our future premium rate assumptions.
- (3) For products which are subject to morbidity risk, MetLife applied sensitivities to the incidence rate assumptions only.
- (4) For MetLife Holdings long-term care products, the lapse impacts include mortality as both mortality and lapse result in termination of these contracts without any additional benefit payment.

See Note 4 of the Notes to the Consolidated Financial Statements for additional information, including the significant inputs, judgments, valuation methods and assumptions used in the establishment of FPBs, as well as the effect of changes in such factors on the measurement of our FPBs during the year. See Note 9 of the Notes to the Consolidated Financial Statements for additional information on our reinsurance programs.

Traditional participating contracts comprise a significant portion of MetLife’s FPBs, as described in Note 4 of the Notes to the Consolidated Financial Statements. For such contracts, original assumptions developed at the time of issue are locked-in and used in all future liability calculations. An additional liability would be required if the resulting liabilities are not adequate to provide for future benefits and expenses (i.e., there is a premium deficiency). For these contracts, MetLife’s risk of adverse experience may be mitigated through adjustments to the dividend scales.

For all insurance assets and liabilities, MetLife holds capital and surplus to mitigate potential adverse experience development. The Company’s approaches for managing liquidity and capital are described in “— Liquidity and Capital Resources.”

**Market Risk Benefits**

MRBs are contracts or contract features that guarantee benefits, such as guaranteed minimum benefits (referred to as “GMXBs”), in addition to an account balance which expose insurance companies to other than nominal capital market risk (e.g., equity price, interest rate, and/or foreign currency exchange risk) and protect the contractholder from the same risk. Certain contracts may have multiple contract features or guarantees that meet the definition of an MRB. Those benefits are aggregated and measured as a single compound MRB.

All identified MRBs are required to be measured at estimated fair value, which is determined based on the present value of projected future benefits minus the present value of projected future fees attributable to those benefit features. The projections of future benefits and future fees require capital market and actuarial assumptions, including expectations concerning policyholder behavior. A risk neutral valuation methodology is used under which the cash flows from the guarantees are projected under multiple capital market scenarios using observable risk-free rates. The valuation of these MRBs also includes an adjustment for our nonperformance risk and risk margins for non-capital market inputs. The nonperformance risk adjustment, which is captured as a spread over the risk-free rate in determining the discount rate to discount the cash flows of the liability, is determined by taking into consideration publicly available information relating to spreads in the secondary market for MetLife, Inc.’s debt, including related credit default swaps. These observable spreads are then adjusted, as necessary, to reflect the priority of these liabilities and the claims paying ability of the issuing insurance subsidiaries compared to MetLife, Inc. Risk margins are established to capture the non-capital market risks of the instrument which represent the additional compensation a market participant would require to assume the risks related to the uncertainties in certain actuarial assumptions. The establishment of risk margins requires the use of significant management judgment, including assumptions of the amount and cost of capital needed to cover the guarantees.

Changes in the estimated fair value of MRBs are recognized in net income, except for fair value changes attributable to a change in nonperformance risk of the Company which is recorded within OCI.

The estimated fair value of the net MRB liability may rise in volatile or declining equity markets or in a low interest rate environment. Market conditions including changes in interest rates, equity indices, market volatility and foreign currency exchange rates, variations in actuarial assumptions regarding policyholder behavior, mortality and risk margins related to non-capital market inputs, may result in significant fluctuations in the estimated fair value of the guarantees that could materially affect net income, and changes in our nonperformance risk could materially affect OCI.

We measure market risk related to our MRBs based on changes in interest rates, foreign currency exchange rates and equity market prices utilizing a sensitivity analysis. The results of this sensitivity analysis are included in “Quantitative and Qualitative Disclosures About Market Risk — Risk Measurement: Sensitivity Analysis.” We have also assessed the sensitivities of hypothetical changes in significant assumptions to reported amounts related to our MRBs for products included within the disaggregated rollforwards in Note 6 of the Notes to the Consolidated Financial Statements, as reflected in the following table:

	<b>December 31, 2023</b>			
	<b>MRBs (Liabilities net of Assets)</b>	<b>Net Effect to Pre-tax Net Income</b>	<b>Net Effect to OCI</b>	
	<b>Increase / (Decrease) (In millions)</b>			
<b>Assumptions:</b>				
<b>Mortality</b>				
Effect of an increase by 1%	\$ 1	\$ 1	\$	(2)
Effect of a decrease by 1%	\$ —	\$ (1)	\$	1
<b>Lapse</b>				
Effect of an increase by 10%	\$ (29)	\$ 33	\$	(4)
Effect of a decrease by 10%	\$ 29	\$ (33)	\$	4
<b>Nonperformance risk</b>				
Effect of an increase by 50 bps	\$ (246)	N/A	\$	246
Effect of a decrease by 50 bps	\$ 274	N/A	\$	(274)

See Note 6 of the Notes to the Consolidated Financial Statements for additional information, including the significant inputs, judgments, valuation methods and assumptions used in the establishment of the MRBs, as well as the effect of changes in such factors on the measurement of our MRBs during the year. Also, see Note 13 of the Notes to the Consolidated Financial Statements for additional information on the fair value measurement of MRBs.

### ***Estimated Fair Value of Investments***

The estimated fair values of our investments are based on unadjusted quoted prices for identical investments in active markets that are readily and regularly obtainable. When such unadjusted quoted prices are not available, estimated fair values are based on quoted prices in markets that are not active, quoted prices for similar but not identical investments, or other observable inputs. If these inputs are not available, or observable inputs are not determinable, unobservable inputs and/or adjustments to observable inputs requiring significant management judgment, including assumptions or estimates, are used to determine the estimated fair value of investments. Unobservable inputs are based on management's assumptions about the inputs market participants would use in pricing such investments. The methodologies, assumptions and inputs utilized are described in Note 13 of the Notes to the Consolidated Financial Statements.

For the vast majority of our investments, sensitivity analysis regarding unobservable inputs is not necessary or appropriate, as they are valued using quoted prices, as described above. Quantitative information about the significant unobservable inputs used in fair value measurement and the sensitivity of the estimated fair value to changes in those inputs for the more significant asset and liability classes measured at estimated fair value on a recurring basis is presented in Note 13 of the Notes to the Consolidated Financial Statements.

Financial markets are susceptible to severe events evidenced by rapid depreciation in asset values accompanied by a reduction in asset liquidity. Our ability to sell investments, or the price ultimately realized for investments, depends upon the demand and liquidity in the market and increases the use of judgment in determining the estimated fair value of certain investments.

### ***Investment Allowance for Credit Loss and Impairments***

The significant estimates and inherent uncertainties related to our evaluation of credit loss and impairments on our investment portfolio are summarized below. See "Quantitative and Qualitative Disclosures About Market Risk" for information regarding the sensitivity of our fixed maturity securities and mortgage loan portfolios to changes in interest rates and foreign currency exchange rates.

#### ***Fixed Maturity Securities***

The assessment of whether a credit loss has occurred is based on our case-by-case evaluation of whether the net amount expected to be collected is less than the amortized cost basis. We consider a wide range of factors about the security issuer and use our best judgment in evaluating the cause of the decline in the estimated fair value of the security and in assessing the prospects for near-term recovery. We evaluate credit loss by considering information that changes from time to time about past events, current and forecasted economic conditions, and we measure credit loss by estimating recovery value using a discounted cash flow analysis. We estimate recovery value based on our best estimate of future cash flows, which is inherently subjective, and methodologies can vary depending on the facts and circumstances specific to each security. We record an ACL for the amount of the credit loss instead of recording a reduction of the amortized cost. The evaluation processes, measurement methodologies, significant inputs and significant judgments and assumptions used to determine the amount of credit loss are described in Notes 1 and 11 of the Notes to the Consolidated Financial Statements. The determination of the amount of ACL is subjective as it includes our estimates and assumptions and assessment of known and inherent risks. We revise these estimates and assumptions as conditions change and new information becomes available. The valuation of our fixed maturity securities portfolio is sensitive to changes in interest rates and the estimated fair value of the portion of our fixed maturities securities portfolio that is foreign denominated is sensitive to changes in foreign currency exchange rates.

### ***Mortgage Loans***

The ACL is established both for pools of loans with similar risk characteristics and for loans with dissimilar risk characteristics, collateral dependent loans and certain modified loans, individually on a loan specific basis. We record an allowance for expected lifetime credit loss in an amount that represents the portion of the amortized cost basis of mortgage loans that we do not expect to collect, resulting in mortgage loans being presented at the net amount expected to be collected. To determine the mortgage loan ACL, we apply significant judgment to estimate expected lifetime credit loss over the contractual term of our mortgage loans adjusted for expected prepayments and any extensions; and we consider past events and current and forecasted economic conditions which are subject to inherent uncertainty and which may change from time to time. The ACL methodologies, significant inputs and significant judgments and assumptions used to determine the amount of credit loss are described in Notes 1 and 11 of the Notes to the Consolidated Financial Statements. The determination of the amount of ACL is subjective as it includes our estimates and assumptions and assessment of known and inherent risks. We revise these estimates as conditions change and new information becomes available. The estimated fair value of our mortgage loan portfolio is sensitive to changes in interest rates and the estimated fair value of the portion of our mortgage loan portfolio that is foreign denominated is sensitive to changes in foreign currency exchange rates.

### ***Leases, Real Estate and Other Asset Classes***

The determination of the amount of ACL on leases and impairments on real estate and the remaining asset classes is highly subjective and is based upon our quarterly evaluation and assessment of known and inherent risks associated with the respective asset class. The evaluation processes, measurement methodologies, significant inputs and significant judgments and assumptions used to determine the amount of ACL and impairments are described in Notes 1 and 11 of the Notes to the Consolidated Financial Statements. Such evaluations and assessments are revised as conditions change and new information becomes available.

### ***Derivatives***

The determination of the estimated fair value of freestanding derivatives, when quoted market values are not available, is based on market standard valuation methodologies and inputs that management believes are consistent with what other market participants would use when pricing the instruments. Derivative valuations can be affected by changes in interest rates, foreign currency exchange rates, financial indices, credit spreads, default risk, nonperformance risk, volatility, liquidity and changes in estimates and assumptions used in the pricing models. See Note 13 of the Notes to the Consolidated Financial Statements for additional details on significant inputs into the OTC derivative pricing models and credit risk adjustment.

See Note 12 of the Notes to the Consolidated Financial Statements for additional information on our derivatives and hedging programs. See also “Quantitative and Qualitative Disclosures About Market Risk” for information regarding the sensitivity of our derivatives to changes in interest rates, foreign currency exchange rates, and equity market prices.

### ***Goodwill***

Goodwill is tested for impairment at least annually or more frequently if events or circumstances, such as adverse changes in the business climate, indicate that there may be justification for conducting an interim test.

For purposes of goodwill impairment testing, if the carrying value of a reporting unit exceeds its estimated fair value, an impairment charge would be recognized for the amount by which the carrying value exceeds the reporting unit’s fair value; however, the loss recognized would not exceed the total amount of goodwill allocated to that reporting unit. Additionally, the Company will consider income tax effects from any tax-deductible goodwill on the carrying value of the reporting unit when measuring the goodwill impairment loss, if applicable. The key inputs, judgments and assumptions necessary in determining estimated fair value of the reporting units include projected adjusted earnings, current book value, the level of economic capital required to support the mix of business, long-term growth rates, comparative market multiples, the account value of in-force business, projections of new and renewed business, as well as margins on such business, interest rate levels, credit spreads, equity market levels, and the discount rate that we believe is appropriate for the respective reporting unit.

We apply significant judgment when determining the estimated fair value of our reporting units and when assessing the relationship of market capitalization to the aggregate estimated fair value of our reporting units. The valuation methodologies utilized are subject to key judgments and assumptions that are sensitive to change. Estimates of fair value are inherently uncertain and represent reasonable expectations regarding future developments. These estimates and the judgments and assumptions upon which the estimates are based may differ from actual future results. The estimated fair value of the reporting units tested can be impacted by unexpected changes in the legislative, regulatory and macroeconomic environment. Declines in the estimated fair value of our reporting units could result in goodwill impairments in future periods which could materially adversely affect our results of operations or financial position.

In the third quarter of 2023, the Company performed its annual goodwill impairment tests on all reporting units using both qualitative and quantitative assessments. The quantitative assessment utilized the market multiple or embedded value approaches, and, when appropriate, was supplemented with a discounted cash flow valuation based on best available data as of June 30, 2023. The Company concluded that the estimated fair values of all such reporting units, except for EMEA, were substantially in excess of their carrying values. The Company also concluded that goodwill for all reporting units was not impaired.

As part of the annual goodwill impairment testing, the Company tested the EMEA reporting unit for impairment using the market multiple and the discounted cash flow valuation approaches. The estimated fair value of the EMEA reporting unit under these approaches exceeded the carrying value by approximately 16% and 14%, respectively, and, therefore, the EMEA reporting unit was not impaired, but the margin has decreased below what the Company considered a substantial margin. If we had assumed that the discount rate was 100 basis points higher than the discount rate used in the discounted cash flow valuation approach, the estimated fair value of the EMEA reporting unit would have been higher than the carrying value by approximately 9%.

See Note 15 of the Notes to the Consolidated Financial Statements for additional information on our goodwill.

***Employee Benefit Plans***

Certain subsidiaries of MetLife, Inc. sponsor defined benefit pension plans and other postretirement benefit plans covering eligible employees. See Note 21 of the Notes to the Consolidated Financial Statements for information on amendments to our U.S. benefit plans. The calculation of the obligations and expenses associated with these plans requires an extensive use of assumptions such as the discount rate, expected rate of return on plan assets, rate of future compensation increases and healthcare cost trend rates, as well as assumptions regarding participant demographics such as rate and age of retirement, withdrawal rates and mortality. In consultation with external actuarial firms, we determine these assumptions based upon a variety of factors such as historical experience of the plan and its assets, currently available market and industry data, and expected benefit payout streams.

We determine the expected rate of return on plan assets based upon an approach that considers inflation, real return, term premium, credit spreads, equity risk premium and capital appreciation, as well as expenses, expected asset manager performance, asset weights and the effect of rebalancing. Given the amount of plan assets as of December 31, 2022, the beginning of the measurement year, if we had assumed an expected rate of return for both our pension and other postretirement benefit plans that was 100 basis points higher or 100 basis points lower than the rates we assumed, the change in our net periodic benefit costs in 2023 would have been as follows:

	Year Ended December 31, 2023	
	Increase/(Decrease) in Net Periodic Pension Cost	Increase/(Decrease) in Net Other Postretirement Benefit Cost
	(In millions)	
Increase in expected rate of return by 100 bps	\$ (79)	\$ (13)
Decrease in expected rate of return by 100 bps	\$ 79	\$ 13

This table considers only changes in our assumed long-term rate of return given the level and mix of invested assets at the beginning of the year, without consideration of possible changes in any of the other assumptions described above that could ultimately accompany any changes in our assumed long-term rate of return.

We determine the discount rates used to value the Company’s pension and postretirement obligations, based upon rates commensurate with current yields on high quality corporate bonds. Given our pension and postretirement obligations as of December 31, 2022, the beginning of the measurement year, if we had assumed a discount rate for both our pension and postretirement benefit plans that was 100 basis points higher or 100 basis points lower than the rates we assumed, the change in our net periodic benefit costs would have been as follows:

	Year Ended December 31, 2023	
	Increase/(Decrease) in Net Periodic Pension Cost	Increase/(Decrease) in Net Other Postretirement Benefit Cost
	(In millions)	
Increase in discount rate by 100 bps	\$ (57)	\$ (4)
Decrease in discount rate by 100 bps	\$ 47	\$ 1

Given our pension and postretirement obligations as of December 31, 2023, the end of the measurement year, if we had assumed a discount rate for both our pension and postretirement benefit plans that was 100 basis points higher or 100 basis points lower than the rates we assumed, the change in our benefit obligations would have been as follows:

	Year Ended December 31, 2023	
	Increase/(Decrease) in Pension Benefit Obligation	Increase/(Decrease) in Other Postretirement Benefit Obligation
	(In millions)	
Increase in discount rate by 100 bps	\$ (859)	\$ (72)
Decrease in discount rate by 100 bps	\$ 1,015	\$ 86

These tables consider only changes in our assumed discount rates without consideration of possible changes in any of the other assumptions described above that could ultimately accompany any changes in our assumed discount rate. The assumptions used may differ materially from actual results due to, among other factors, changing market and economic conditions and changes in participant demographics. These differences may have a significant impact on the Company’s consolidated financial statements and liquidity.

See Note 21 of the Notes to the Consolidated Financial Statements for additional discussion of assumptions used in measuring liabilities relating to our employee benefit plans.

***Income Taxes and Valuation of Deferred Tax Assets***

Our accounting for income taxes represents our best estimate of various events and transactions. Tax laws are often complex and may be subject to differing interpretations by the taxpayer and the relevant governmental taxing authorities. In establishing a provision for income tax expense, we must make judgments and interpretations about the application of inherently complex tax laws. We must also make estimates about when in the future certain items will affect taxable income in the various tax jurisdictions in which we conduct business.

The Company considers all available factors, both positive and negative, to determine whether, based on the weight of these factors, a partial or full valuation allowance for categories of deferred tax assets is required. The weight given to these factors is commensurate with the extent to which it can be objectively verified. Examples of factors considered in determining deferred tax asset realizability include past earnings history, projections of taxable income and tax planning strategies, including the intent and ability to hold certain securities until they recover in value. Changes in tax laws and/or statutory tax rates in countries in which we operate could have an impact on our valuation of net deferred tax assets. If there had been a 1% increase in the global effective income tax rate, the change would have resulted in an approximate \$84 million increase in the net deferred income tax asset balance at December 31, 2023.

See Notes 1 and 22 of the Notes to the Consolidated Financial Statements for additional information on our income taxes.

### ***Litigation Contingencies***

We are a defendant in a large number of litigation matters and are involved in a number of regulatory investigations. Given the large and/or indeterminate amounts sought in certain of these matters and the inherent unpredictability of litigation, it is possible that an adverse outcome in certain matters could, from time to time, have a material effect on the Company's consolidated net income or cash flows in particular quarterly or annual periods. Liabilities are established when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. Liabilities related to certain lawsuits, including our asbestos-related liability, are especially difficult to estimate due to the limitation of reliable data and uncertainty regarding numerous variables that can affect liability estimates. On a quarterly and annual basis, we review relevant information with respect to liabilities for litigation, regulatory investigations and litigation-related contingencies to be reflected in our consolidated financial statements. It is possible that an adverse outcome in certain of our litigation and regulatory investigations, including asbestos-related cases, or the use of different assumptions in the determination of amounts recorded could have a material effect upon our consolidated net income or cash flows in particular quarterly or annual periods.

See Note 24 of the Notes to the Consolidated Financial Statements for additional information regarding our assessment of litigation contingencies.

### **Acquisitions and Dispositions**

#### ***Acquisitions***

##### ***Acquisition of Raven Capital Management***

In March 2023, the Company completed the acquisition of Raven Capital Management, an alternative investment firm.

##### ***Acquisition of Affirmative Investment Management***

In December 2022, the Company completed the acquisition of Affirmative Investment Management, a specialist global environmental, social and corporate governance impact fixed income investment manager.

##### ***Ownership Increase of PNB MetLife***

In February 2022, the Company acquired approximately 15.0% ownership in PNB MetLife India Insurance Company Limited ("PNB MetLife"). As a result, the Company's ownership in PNB MetLife, an operating joint venture accounted for under the equity method, increased to approximately 47.0%.

#### ***Dispositions***

##### ***Pending Disposition of MetLife Malaysia***

For information regarding the Company's pending disposition of its ownership interests in AmMetLife Insurance Berhad (Malaysia) and AmMetLife Takaful Berhad (Malaysia) (collectively, "MetLife Malaysia"), each an operating joint venture accounted for under the equity method, see Note 3 of the Notes to the Consolidated Financial Statements.

##### ***Disposition of MetLife Poland and Greece***

For information regarding the Company's dispositions of its wholly-owned subsidiaries in Poland and Greece in April 2022 and January 2022, respectively (collectively, "MetLife Poland and Greece"), see Note 3 of the Notes to the Consolidated Financial Statements.

##### ***Disposition of MetLife Seguros***

For information regarding the Company's September 2021 disposition of its wholly-owned Argentinian subsidiary, MetLife Seguros S.A. ("MetLife Seguros"), see Note 3 of the Notes to the Consolidated Financial Statements.

##### ***Disposition of MetLife P&C***

For information regarding the Company's April 2021 disposition of Metropolitan Property and Casualty Insurance Company and certain of its wholly-owned subsidiaries (collectively, "MetLife P&C"), see Note 3 of the Notes to the Consolidated Financial Statements.

## **Results of Operations**

### ***Overview***

MetLife is one of the world's leading financial services companies, providing insurance, annuities, employee benefits and asset management. In the fourth quarter of 2023, MetLife reorganized from five segments into the following six segments to reflect changes in management's responsibilities: Group Benefits; RIS; Asia; Latin America; EMEA; and MetLife Holdings. The Group Benefits and RIS businesses were previously reported as the U.S. segment. These changes were applied retrospectively and did not have an impact on prior period total consolidated net income (loss) or adjusted earnings. In addition, the Company continues to report certain of its results of operations in Corporate & Other. See "Business — Segments and Corporate & Other" and Note 2 of the Notes to the Consolidated Financial Statements for further information on the Company's segments and Corporate & Other.

### ***Reinsurance Transaction***

In November 2023, the Company completed a risk transfer transaction with subsidiaries of Global Atlantic Financial Group, a retirement and life insurance company, to reinsure an in-force block of universal life, variable universal life, universal life with secondary guarantees, and fixed annuities, which was reported in the MetLife Holdings segment. See Note 9 of the Notes to the Consolidated Financial Statements for further information.

### ***Key Financial Highlights***

- Net income available to MetLife, Inc.'s common shareholders was \$1.4 billion, \$5.1 billion and \$6.7 billion for the years ended December 31, 2023, 2022 and 2021, respectively.
- Adjusted earnings available to common shareholders was \$5.5 billion, \$5.8 billion and \$7.9 billion for the years ended December 31, 2023, 2022 and 2021, respectively.



**Consolidated Results**

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
<b>Revenues</b>			
Premiums	\$ 44,283	\$ 48,510	\$ 41,152
Universal life and investment-type product policy fees	5,152	5,225	5,244
Net investment income	19,908	15,916	21,395
Other revenues	2,526	2,630	2,619
Net investment gains (losses)	(2,824)	(1,260)	1,543
Net derivative gains (losses)	(2,140)	(2,251)	(3,257)
Total revenues	<u>66,905</u>	<u>68,770</u>	<u>68,696</u>
<b>Expenses</b>			
Policyholder benefits and claims and policyholder dividends	45,212	50,213	43,998
Policyholder liability remeasurement (gains) losses	(45)	114	(172)
Market risk benefit remeasurement (gains) losses	(994)	(3,674)	(1,237)
Interest credited to policyholder account balances	7,860	3,894	5,571
Amortization of DAC and VOBA	1,952	1,831	2,037
Amortization of negative VOBA	(26)	(29)	(35)
Interest expense on debt	1,045	938	920
Other expenses, net of capitalization of DAC	9,739	9,119	9,096
Total expenses	<u>64,743</u>	<u>62,406</u>	<u>60,178</u>
Income (loss) before provision for income tax	2,162	6,364	8,518
Provision for income tax expense (benefit)	560	1,062	1,642
Net income (loss)	1,602	5,302	6,876
Less: Net income (loss) attributable to noncontrolling interests	24	18	21
Net income (loss) attributable to MetLife, Inc.	1,578	5,284	6,855
Less: Preferred stock dividends	198	185	195
Preferred stock redemption premium	—	—	6
Net income (loss) available to MetLife, Inc.'s common shareholders	<u>\$ 1,380</u>	<u>\$ 5,099</u>	<u>\$ 6,654</u>

**Year Ended December 31, 2023 Compared with the Year Ended December 31, 2022**

**Net income (loss) available to MetLife, Inc.'s common shareholders** - Decreased \$3.7 billion primarily due to the following:

**Net Investment Gains (Losses)**<sup>(1)</sup> - Unfavorable change of \$1.6 billion (\$1.2 billion, net of income tax):

- Impairment losses in 2023 for investments disposed of in connection with a reinsurance transaction
- Impairment loss in 2023 in connection with the pending disposition of MetLife Malaysia
- Gains in 2022 on sales of real estate investments
- Lower gains on foreign currency transactions

Partially offset by:

- Lower losses on sales of fixed maturity securities in 2023
- Mark-to-market gains on equity securities in 2023

**Net Derivative Gains (Losses)**<sup>(2)</sup> - Favorable change of \$111 million (\$88 million, net of income tax)<sup>(3)</sup>:

- Long-term interest rates increased less significantly in 2023 versus 2022 - favorable impact to the estimated fair value of receive-fixed interest rate swaps

Partially offset by:

- Key equity indexes increased in 2023 versus decreased in 2022 - unfavorable impact to equity options and TRRs
- The U.S. dollar weakened against major currencies in 2023 compared to strengthened in 2022 - unfavorable impact to the estimated fair value of receive-U.S. dollar foreign currency swaps

**Market Risk Benefit Remeasurement (Gains) Losses**<sup>(4)</sup> - Unfavorable change of \$2.7 billion (\$2.1 billion, net of income tax):

- Long-term interest rates increased less significantly in 2023 versus 2022
- Updates resulting from the actuarial assumption review, as well as risk margin and other model updates, were unfavorable in 2023 versus largely favorable in 2022

Partially offset by:

- Key equity indexes increased in 2023 versus decreased in 2022

**Actuarial Assumption Review** - Unfavorable change of \$254 million (\$197 million, net of income tax):

	Year Ended December 31,		Variance
	2023	2022	
	(In millions, net of income tax)		
Economic assumptions	\$ (40)	\$ 12	\$ (52)
Biometric assumptions	37	(30)	67
Policyholder behavior assumptions	—	290	(290)
Operational assumptions	12	(66)	78
<b>Total</b>	<b>\$ 9</b>	<b>\$ 206</b>	<b>\$ (197)</b>

- Total results for 2023 and 2022 include gains of \$9 million and \$206 million, respectively:
  - Of the \$9 million gain, a loss of \$4 million was recognized in market risk benefit remeasurement (gains) losses, a loss of \$2 million was recognized in net derivative gains (losses), both of which are discussed above, and a gain of \$15 million was recognized in adjusted earnings, which is discussed below
  - Of the \$206 million gain, a gain of \$261 million was recognized in market risk benefits remeasurement (gains) losses, which is discussed above, and a loss of \$55 million was recognized in adjusted earnings, which is discussed below
  - The \$197 million decrease was primarily driven by updates made in 2022 to policyholder behavior assumptions in the MetLife Holdings segment related to projected annuitizations for variable annuities, which were recognized in market risk benefit remeasurement (gains) losses

**Adjusted Earnings**<sup>(5)</sup> - Unfavorable change of \$268 million. See “— Consolidated Results — Adjusted Earnings.”

**Taxes** - Unfavorable change in effective tax rate - 26% in 2023 versus 17% in 2022:

- 2023 effective tax rate on income before provision for income tax was 26% versus statutory rate of 21%:
  - Tax charges from foreign earnings taxed at different statutory rates than the U.S. statutory rate
  - Non-taxable investment loss related to the pending disposition of MetLife Malaysia

Partially offset by:

- Low income housing and other tax credits

- Non-taxable investment income
- Corporate tax deduction for stock compensation
- 2022 effective tax rate on income before provision for income tax was 17% versus statutory rate of 21%:
  - Low income housing and other tax credits
  - Tax benefits from foreign earnings taxed at different rates than the U.S. statutory rate
  - IRS audit settlement
  - Corporate tax deduction for stock compensation
  - Non-taxable investment income

**Year Ended December 31, 2022 Compared with the Year Ended December 31, 2021**

**Net income (loss) available to MetLife, Inc.'s common shareholders** - Decreased \$1.6 billion primarily due to the following:

***Net Investment Gains (Losses)***<sup>(1)</sup> - Unfavorable change of \$2.8 billion (\$2.2 billion, net of income tax):

- Losses in 2022 on sales of fixed maturity securities
- Gain in 2021 on the disposition of MetLife P&C
- Lower gains in 2022 on sales of real estate investments
- Mark-to-market losses in 2022 compared to mark-to-market gains in 2021 on equity securities

Partially offset by:

- Losses in 2021 on the sales of certain subsidiaries
- Foreign currency transaction gains in 2022

***Net Derivative Gains (Losses)***<sup>(2)</sup> - Favorable change of \$1.0 billion (\$795 million, net of income tax)<sup>(3)</sup>:

- Key equity indexes decreased in 2022 versus increased in 2021 - favorable impact to equity options and TRRs
- U.S. dollar strengthened less significantly against the Chilean peso in 2022 versus 2021 - favorable impact to the estimated fair value of pay-U.S. dollar foreign currency swaps

Partially offset by:

- Long-term interest rates increased more significantly in 2022 versus 2021 - unfavorable impact to the estimated fair value of receive-fixed interest rate swaps

***Market Risk Benefit Remeasurement (Gains) Losses***<sup>(4)</sup> - Favorable change of \$2.4 billion (\$1.9 billion, net of income tax):

- Long-term interest rates increased more significantly in 2022 versus 2021
- Updates resulting from the actuarial assumption review, as well as risk margin and other model updates, were favorable in 2022 versus unfavorable in 2021

Partially offset by:

- Key equity indexes decreased in 2022 versus increased in 2021

**Actuarial Assumption Review** - Favorable change of \$701 million (\$561 million, net of income tax):

	<b>Years Ended December 31,</b>		
	<b>2022</b>	<b>2021</b>	<b>Variance</b>
	<b>(In millions, net of income tax)</b>		
Economic assumptions	\$ 12	\$ 16	\$ (4)
Biometric assumptions	(30)	16	(46)
Policyholder behavior assumptions	290	(421)	711
Operational assumptions	(66)	34	(100)
<b>Total</b>	<b>\$ 206</b>	<b>\$ (355)</b>	<b>\$ 561</b>

- Total results for 2022 and 2021 include gains of \$206 million and losses of \$355 million, respectively:
  - Of the \$206 million gain, a gain of \$261 million was recognized in market risk benefit remeasurement (gains) losses, which is discussed above, and a loss of \$55 million was recognized in adjusted earnings, which is discussed below
  - Of the \$355 million loss, a loss of \$443 million was recognized in market risk benefit remeasurement (gains) losses, which is discussed above, and a gain of \$88 million was recognized in adjusted earnings, which is discussed below
  - The \$561 million increase was primarily driven by updates made in both 2022 and 2021 to policyholder behavior assumptions in the MetLife Holdings segment related to projected annuitizations for variable annuities, which were recognized in market risk benefit remeasurement (gains) losses

**Adjusted Earnings<sup>(5)</sup>** - Unfavorable change of \$2.1 billion. See “— Consolidated Results — Adjusted Earnings.”

**Taxes** - Favorable change in effective tax rate - 17% in 2022 versus 19% in 2021

- 2022 effective tax rate on income before provision for income tax was 17% versus statutory rate of 21%:
    - Low income housing and other tax credits
    - Tax benefits from foreign earnings taxed at different rates than the U.S. statutory rate
    - IRS audit settlement
    - Corporate tax deduction for stock compensation
    - Non-taxable investment income
  - 2021 effective tax rate on income before provision for income tax was 19% versus statutory rate of 21%:
    - Low income housing and other tax credits
    - Non-taxable investment income
    - IRS audit settlement
    - Non-cash transfer of assets from a wholly-owned U.K. investment subsidiary to its U.S. parent
    - Corporate tax deduction for stock compensation
- Partially offset by
- Tax charges from foreign earnings taxed at different rates than the U.S. statutory rate
  - Dispositions of MetLife P&C, MetLife Seguros and MetLife Poland and Greece

(1) See “— Investments — Overview” and “— Investments — Investment Portfolio Results — Net Investment Gains (Losses)” for information regarding management of our investment portfolio.

(2) See “— Derivatives — Net Derivative Gains (Losses)” for information regarding the use of derivatives to hedge market risk.

- (3) Includes amounts relating to investment hedge adjustments, which are also included in adjusted earnings available to common shareholders. See “— Investments — Investment Portfolio Results” for additional information.
- (4) See Note 6 of the Notes to the Consolidated Financial Statements for further information on the Company’s MRBs.
- (5) As used in “— Consolidated Results — Adjusted Earnings” and as more fully described in “— Non-GAAP and Other Financial Disclosures,” we refer to adjusted earnings, which does not equate to net income (loss), as determined in accordance with GAAP, to analyze our performance, evaluate segment performance, and allocate resources. We believe that the presentation of adjusted earnings and other financial measures based on adjusted earnings, as we measure it for management purposes, enhances the understanding of our performance by highlighting the results of operations and the underlying profitability drivers of the business. Adjusted earnings and other financial measures based on adjusted earnings allow analysis of our performance relative to our business plan and facilitate comparisons to industry results. Adjusted earnings should not be viewed as a substitute for net income (loss). Adjusted earnings available to common shareholders and adjusted earnings available to common shareholders on a constant currency basis should not be viewed as substitutes for net income (loss) available to MetLife, Inc.’s common shareholders.

***Reconciliation of net income (loss) to adjusted earnings available to common shareholders and premiums, fees and other revenues to adjusted premiums, fees and other revenues***

*Year Ended December 31, 2023*

	<u>Group Benefits</u>	<u>RIS</u>	<u>Asia</u>	<u>Latin America</u>	<u>EMEA</u>	<u>MetLife Holdings</u>	<u>Corporate &amp; Other</u>	<u>Total</u>
	(In millions)							
Net income (loss) available to MetLife, Inc.'s common shareholders	\$ 1,521	\$ 942	\$ (150)	\$ 652	\$ 253	\$ (1,338)	\$ (500)	\$ 1,380
Add: Preferred stock dividends	—	—	—	—	—	—	198	198
Add: Net income (loss) attributable to noncontrolling interests	—	—	2	7	4	—	11	24
Add: Preferred stock redemption premium	—	—	—	—	—	—	—	—
Net income (loss)	1,521	942	(148)	659	257	(1,338)	(291)	1,602
Less: adjustments from net income (loss) to adjusted earnings available to common shareholders:								
Revenues:								
Net investment gains (losses)	(56)	(563)	(1,019)	1	10	(1,914)	717	(2,824)
Net derivative gains (losses)	39	120	(921)	89	(44)	(1,350)	(73)	(2,140)
Premiums	—	—	—	—	—	—	—	—
Universal life and investment-type product policy fees	—	—	—	—	—	—	—	—
Net investment income	(153)	(449)	350	(34)	688	(260)	17	159
Other revenues	—	(75)	—	—	1	29	40	(5)
Expenses:								
Policyholder benefits and claims and policyholder dividends	—	(32)	183	(157)	—	11	—	5
Policyholder liability remeasurement (gains) losses	—	—	—	—	—	—	—	—
Market risk benefit remeasurement (gains) losses	—	29	43	—	40	882	—	994
Interest credited to policyholder account balances	—	—	(395)	(149)	(687)	(20)	—	(1,251)
Capitalization of DAC	—	—	—	—	—	—	—	—
Amortization of DAC and VOBA	—	—	—	—	—	—	—	—
Amortization of negative VOBA	—	—	—	—	—	—	—	—
Interest expense on debt	—	—	—	—	—	—	—	—
Other expenses	—	—	1	8	(5)	—	(97)	(93)
Goodwill impairment	—	—	—	—	—	—	—	—
Provision for income tax (expense) benefit	36	204	328	61	(11)	551	(135)	1,034
Adjusted earnings	<u>\$ 1,655</u>	<u>\$ 1,708</u>	<u>\$ 1,282</u>	<u>\$ 840</u>	<u>\$ 265</u>	<u>\$ 733</u>	<u>(760)</u>	<u>5,723</u>
Less: Preferred stock dividends							198	198
Adjusted earnings available to common shareholders							<u>\$ (958)</u>	<u>\$ 5,525</u>
Premiums, fees and other revenues	\$ 23,929	\$ 8,757	\$ 6,969	\$ 5,727	\$ 2,347	\$ 3,737	\$ 495	\$ 51,961
Less: adjustments to premiums, fees and other revenues	—	(75)	—	—	1	29	40	(5)
Adjusted premiums, fees and other revenues	<u>\$ 23,929</u>	<u>\$ 8,832</u>	<u>\$ 6,969</u>	<u>\$ 5,727</u>	<u>\$ 2,346</u>	<u>\$ 3,708</u>	<u>\$ 455</u>	<u>\$ 51,966</u>

*Year Ended December 31, 2022*

	<u>Group Benefits</u>	<u>RIS</u>	<u>Asia</u>	<u>Latin America</u>	<u>EMEA</u>	<u>MetLife Holdings</u>	<u>Corporate &amp; Other</u>	<u>Total</u>
	(In millions)							
Net income (loss) available to MetLife, Inc.'s common shareholders	\$ 1,377	\$ 1,463	\$ (472)	\$ 545	\$ 189	\$ 2,550	\$ (553)	\$ 5,099
Add: Preferred stock dividends	—	—	—	—	—	—	185	185
Add: Net income (loss) attributable to noncontrolling interests	—	—	—	7	5	—	6	18
Add: Preferred stock redemption premium	—	—	—	—	—	—	—	—
Net income (loss)	1,377	1,463	(472)	552	194	2,550	(362)	5,302
Less: adjustments from net income (loss) to adjusted earnings available to common shareholders:								
Revenues:								
Net investment gains (losses)	(92)	(359)	(1,123)	52	(98)	4	356	(1,260)
Net derivative gains (losses)	207	215	(2,104)	434	(117)	(944)	58	(2,251)
Premiums	—	—	—	—	41	—	—	41
Universal life and investment-type product policy fees	—	—	—	—	11	—	—	11
Net investment income	(57)	(303)	(338)	(275)	(1,024)	(281)	5	(2,273)
Other revenues	—	—	—	—	8	—	155	163
Expenses:								
Policyholder benefits and claims and policyholder dividends	—	(116)	191	(536)	(23)	—	—	(484)
Policyholder liability remeasurement (gains) losses	—	—	—	—	—	—	—	—
Market risk benefit remeasurement (gains) losses	—	315	90	—	126	3,143	—	3,674
Interest credited to policyholder account balances	—	31	246	78	1,030	—	—	1,385
Capitalization of DAC	—	—	—	—	11	—	—	11
Amortization of DAC and VOBA	—	—	—	—	(8)	—	—	(8)
Amortization of negative VOBA	—	—	—	—	—	—	—	—
Interest expense on debt	—	—	—	—	—	—	—	—
Other expenses	—	—	—	7	(31)	—	(241)	(265)
Goodwill impairment	—	—	—	—	—	—	—	—
Provision for income tax (expense) benefit	(13)	45	949	63	19	(403)	(80)	580
Adjusted earnings	<u>\$ 1,332</u>	<u>\$ 1,635</u>	<u>\$ 1,617</u>	<u>\$ 729</u>	<u>\$ 249</u>	<u>\$ 1,031</u>	<u>(615)</u>	<u>5,978</u>
Less: Preferred stock dividends							185	185
Adjusted earnings available to common shareholders							<u>\$ (800)</u>	<u>\$ 5,793</u>
Adjusted earnings available to common shareholders on a constant currency basis (1)	<u>\$ 1,332</u>	<u>\$ 1,635</u>	<u>\$ 1,583</u>	<u>\$ 806</u>	<u>\$ 236</u>	<u>\$ 1,031</u>	<u>\$ (800)</u>	<u>\$ 5,823</u>
Premiums, fees and other revenues	\$ 23,266	\$ 14,314	\$ 7,346	\$ 4,438	\$ 2,341	\$ 4,123	\$ 537	\$ 56,365
Less: adjustments to premiums, fees and other revenues	—	—	—	—	60	—	155	215
Adjusted premiums, fees and other revenues	<u>\$ 23,266</u>	<u>\$ 14,314</u>	<u>\$ 7,346</u>	<u>\$ 4,438</u>	<u>\$ 2,281</u>	<u>\$ 4,123</u>	<u>\$ 382</u>	<u>\$ 56,150</u>
Adjusted premiums, fees and other revenues on a constant currency basis (1)	<u>\$ 23,266</u>	<u>\$ 14,314</u>	<u>\$ 6,974</u>	<u>\$ 4,831</u>	<u>\$ 2,210</u>	<u>\$ 4,123</u>	<u>\$ 382</u>	<u>\$ 56,100</u>

(1) Amounts for Group Benefits, RIS, MetLife Holdings and Corporate & Other are shown on a reported basis, as constant currency impact is not significant.

*Year Ended December 31, 2021*

	<u>Group Benefits</u>	<u>RIS</u>	<u>Asia</u>	<u>Latin America</u>	<u>EMEA</u>	<u>MetLife Holdings</u>	<u>Corporate &amp; Other</u>	<u>Total</u>
	(In millions)							
Net income (loss) available to MetLife, Inc.'s common shareholders	\$ 476	\$ 2,634	\$ 1,813	\$ (315)	\$ 98	\$ 1,256	\$ 692	\$ 6,654
Add: Preferred stock dividends	—	—	—	—	—	—	195	195
Add: Net income (loss) attributable to noncontrolling interests	—	—	2	6	3	—	10	21
Add: Preferred stock redemption premium	—	—	—	—	—	—	6	6
Net income (loss)	476	2,634	1,815	(309)	101	1,256	903	6,876
Less: adjustments from net income (loss) to adjusted earnings available to common shareholders:								
Revenues:								
Net investment gains (losses)	(32)	414	(6)	(134)	(176)	86	1,391	1,543
Net derivative gains (losses)	107	101	(831)	(416)	(155)	(2,026)	(37)	(3,257)
Premiums	—	—	—	—	117	—	865	982
Universal life and investment-type product policy fees	—	—	—	—	26	—	—	26
Net investment income	(58)	(281)	58	(64)	717	(293)	36	115
Other revenues	—	—	—	1	11	—	231	243
Expenses:								
Policyholder benefits and claims and policyholder dividends	—	(86)	(83)	(280)	(76)	—	(582)	(1,107)
Policyholder liability remeasurement (gains) losses	—	—	—	—	(1)	—	—	(1)
Market risk benefit remeasurement (gains) losses	—	(96)	48	—	119	1,162	4	1,237
Interest credited to policyholder account balances	—	6	(211)	175	(695)	—	—	(725)
Capitalization of DAC	—	—	—	—	30	—	89	119
Amortization of DAC and VOBA	—	—	—	—	(28)	—	(98)	(126)
Amortization of negative VOBA	—	—	—	—	—	—	—	—
Interest expense on debt	—	—	—	—	—	—	(1)	(1)
Other expenses	—	—	3	3	(81)	—	(489)	(564)
Goodwill impairment	—	—	—	—	—	—	—	—
Provision for income tax (expense) benefit	(4)	(15)	320	132	(13)	224	(350)	294
Adjusted earnings	\$ 463	\$ 2,591	\$ 2,517	\$ 274	\$ 306	\$ 2,103	(156)	8,098
Less: Preferred stock dividends							195	195
Adjusted earnings available to common shareholders							\$ (351)	\$ 7,903
Adjusted earnings available to common shareholders on a constant currency basis (1)	\$ 463	\$ 2,591	\$ 2,395	\$ 231	\$ 251	\$ 2,103	\$ (351)	\$ 7,683
Premiums, fees and other revenues	\$ 22,543	\$ 5,633	\$ 8,120	\$ 3,791	\$ 2,862	\$ 4,513	\$ 1,553	\$ 49,015
Less: adjustments to premiums, fees and other revenues	—	—	—	1	154	—	1,096	1,251
Adjusted premiums, fees and other revenues	\$ 22,543	\$ 5,633	\$ 8,120	\$ 3,790	\$ 2,708	\$ 4,513	\$ 457	\$ 47,764
Adjusted premiums, fees and other revenues on a constant currency basis (1)	\$ 22,543	\$ 5,633	\$ 7,092	\$ 3,674	\$ 2,426	\$ 4,513	\$ 457	\$ 46,338

(1) Amounts for Group Benefits, RIS, MetLife Holdings and Corporate & Other are shown on a reported basis, as constant currency impact is not significant.



**Consolidated Results — Adjusted Earnings**

*Business Overview.* Adjusted premiums, fees and other revenues for the year ended December 31, 2023 decreased \$4.2 billion, or 7%, compared to 2022. Adjusted premiums, fees and other revenues, net of foreign currency fluctuations, decreased \$4.1 billion, or 7%, compared to 2022, primarily due to lower premiums in our RIS segment, mainly driven by a large pension risk transfer transaction in 2022. This was partially offset by (i) growth in the structured settlement, post-retirement benefit, U.K. longevity reinsurance and institutional income annuities businesses in our RIS segment, (ii) strong sales in Mexico and Chile and solid persistency across the region in our Latin America segment and (iii) growth in both core and voluntary products in our Group Benefits segment.

Adjusted premiums, fees and other revenues for the year ended December 31, 2022 increased \$8.4 billion, or 18%, compared to 2021. Adjusted premiums, fees and other revenues, net of foreign currency fluctuations, increased \$9.8 billion, or 21%, compared to 2021, primarily due to higher premiums in our RIS segment, mainly driven by a large pension risk transfer transaction in 2022.

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Group Benefits	\$ 1,655	\$ 1,332	\$ 463
RIS	1,708	1,635	2,591
Asia	1,282	1,617	2,517
Latin America	840	729	274
EMEA	265	249	306
MetLife Holdings	733	1,031	2,103
Corporate & Other	(958)	(800)	(351)
Adjusted earnings available to common shareholders	<u>\$ 5,525</u>	<u>\$ 5,793</u>	<u>\$ 7,903</u>
Adjusted earnings available to common shareholders on a constant currency basis	<u>\$ 5,525</u>	<u>\$ 5,823</u>	<u>\$ 7,683</u>
Adjusted premiums, fees and other revenues	<u>\$ 51,966</u>	<u>\$ 56,150</u>	<u>\$ 47,764</u>
Adjusted premiums, fees and other revenues on a constant currency basis	<u>\$ 51,966</u>	<u>\$ 56,100</u>	<u>\$ 46,338</u>

**Year Ended December 31, 2023 Compared with the Year Ended December 31, 2022**

Unless otherwise stated, all amounts discussed below are net of income tax and foreign currency fluctuations. Foreign currency fluctuations can result in significant variances in the financial statement line items.

**Adjusted Earnings Available to Common Shareholders** - Decreased \$268 million on a reported basis, primarily due to the following business drivers:

**Market Factors** - Decreased adjusted earnings by \$490 million:

- Higher average interest crediting rates on investment-type and certain insurance products, primarily in our RIS, Asia and Group Benefits segments
- Variable investment income decreased - lower returns on real estate and private equity funds

Largely offset by:

- Recurring investment income increased - higher yields on fixed income securities and mortgage loans, partially offset by lower derivative income

**Volume Growth** - Increased adjusted earnings by \$322 million:

- Higher average invested assets in most of our businesses

Largely offset by:

- Increase in interest credited expenses on long duration and certain other insurance products, primarily in our RIS and Latin America segments

**Underwriting and Other Insurance Adjustments** - Increased adjusted earnings by \$301 million:

- Favorable underwriting - favorable mortality in our Group Benefits segment

**Expenses** - Decreased adjusted earnings by \$150 million:

- Higher direct expenses, including certain employee-related costs, in most of our segments
- Higher corporate-related expenses, primarily in Corporate & Other

**Interest Expense on Debt** - Decreased adjusted earnings by \$85 million:

- Senior note issuances in July 2022, January 2023 and July 2023
- Interest rate increase on surplus notes

Partially offset by:

- Early senior note redemption in February 2023

**Notable Items** - Actuarial assumption review and other insurance adjustments, as well as litigation reserves and settlements costs - Decreased adjusted earnings by \$151 million on a reported basis:

	<u>Year Ended December 31,</u>		<u>Variance</u>
	<u>2023</u>	<u>2022</u>	
(In millions, net of income tax)			
Group Benefits	\$ 27	\$ —	\$ 27
RIS	61	79	(18)
Asia	(94)	(32)	(62)
Latin America	—	1	(1)
EMEA	18	15	3
MetLife Holdings	2	26	(24)
Corporate & Other	(76)	—	(76)
Total	<u>\$ (62)</u>	<u>\$ 89</u>	<u>\$ (151)</u>

**Year Ended December 31, 2022 Compared with the Year Ended December 31, 2021**

Unless otherwise stated, all amounts discussed below are net of income tax and foreign currency fluctuations. Foreign currency fluctuations can result in significant variances in the financial statement line items.

**Adjusted Earnings Available to Common Shareholders** - Decreased \$2.1 billion on a reported basis due to the following business drivers:

**Foreign Currency** - Decreased adjusted earnings by \$220 million primarily in our Asia segment

**Market Factors** - Decreased adjusted earnings by \$3.0 billion:

- Variable investment income decreased - lower returns on private equity and hedge funds

**Underwriting and Other Insurance Adjustments** - Increased adjusted earnings by \$1.6 billion:

- Favorable underwriting, primarily driven by an overall decline in COVID-19 related claims in our Group Benefits and Latin America segments

**Expenses** - Decreased adjusted earnings by \$243 million:

- Higher corporate-related expenses, primarily in Corporate & Other

**Notable Items** - Actuarial assumption review and other insurance adjustments - Decreased adjusted earnings by \$204 million on a reported basis:

	<b>Years Ended December 31,</b>		<b>Variance</b>
	<b>2022</b>	<b>2021</b>	
	<b>(In millions, net of income tax)</b>		
Group Benefits	\$ —	\$ —	\$ —
RIS	79	14	65
Asia	(32)	56	(88)
Latin America	1	6	(5)
EMEA	15	—	15
MetLife Holdings	26	11	15
Corporate & Other	—	206	(206)
Total	<u>\$ 89</u>	<u>\$ 293</u>	<u>\$ (204)</u>

**Segment Results and Corporate & Other**

**Group Benefits**

*Business Overview.* Adjusted premiums, fees and other revenues for the year ended December 31, 2023 increased \$663 million, or 3%, compared to 2022, primarily driven by growth in both core and voluntary products.

Adjusted premiums, fees and other revenues for the year ended December 31, 2022 increased \$723 million, or 3%, compared to 2021, primarily due to growth from our voluntary products, group disability and dental businesses.

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Total adjusted revenues	\$ 25,230	\$ 24,402	\$ 23,703
Total adjusted expenses	23,133	22,713	23,114
Provision for income tax expense (benefit)	442	357	126
Adjusted earnings	\$ 1,655	\$ 1,332	\$ 463
Adjusted premiums, fees and other revenues	\$ 23,929	\$ 23,266	\$ 22,543

Year Ended December 31, 2023 Compared with the Year Ended December 31, 2022

Unless otherwise stated, all amounts discussed below are net of income tax.

**Adjusted Earnings** - Increased \$323 million primarily due to the following business drivers:

**Market Factors** - Decreased adjusted earnings by \$18 million:

- Higher average interest crediting rates on certain insurance products and retained asset accounts
- Variable investment income decreased - lower returns on real estate and private equity funds

Substantially offset by:

- Recurring investment income increased - higher yields on fixed income securities and higher derivative income

**Volume Growth** - Increased adjusted earnings by \$71 million:

- Growth in accident & health and legal plans businesses

**Underwriting and Other Insurance Adjustments** - Increased adjusted earnings by \$269 million:

- Favorable mortality in life products - decreases in both incidence and severity of claims, including the impact of lower COVID-19 claims

Partially offset by:

- Unfavorable morbidity - higher dental utilization, as well as higher pet insurance and vision claims, partially offset by favorable results in our disability businesses
- Unfavorable change from refinements to certain insurance and other liabilities in both years

**Expenses** - Decreased adjusted earnings by \$24 million:

- Higher employee-related, technology, and marketing costs exceeded the corresponding increase in adjusted premiums, fees and other revenues

**Notable Items** - Increased adjusted earnings by \$27 million:

- 2023 notable item - favorable impact of \$27 million - actuarial assumption review

*Year Ended December 31, 2022 Compared with the Year Ended December 31, 2021*

Unless otherwise stated, all amounts discussed below are net of income tax.

**Adjusted Earnings** - Increased \$869 million primarily due to the following business drivers:

**Market Factors** - Decreased adjusted earnings by \$103 million:

- Higher average interest crediting rates on certain insurance products and retained asset accounts
- Variable investment income decreased - lower returns on private equity funds

**Volume Growth** - Increased adjusted earnings by \$89 million:

- Growth in accident & health, group disability and dental businesses
- Positive flows resulted in higher average invested assets

**Underwriting and Other Insurance Adjustments** - Increased adjusted earnings by \$958 million:

- Favorable mortality in life products - decreases in both incidence and severity of claims, largely driven by the impact of lower COVID-19 claims
- Favorable experience - accident & health, vision and dental
- Favorable change from refinements to certain insurance and other liabilities in both years

Partially offset by:

- Unfavorable experience - individual and group disability businesses

**Expenses** - Decreased adjusted earnings by \$75 million:

- Higher direct expenses, including certain employee-related costs, exceeded the corresponding increase in adjusted premiums, fees and other revenues

***Retirement & Income Solutions***

*Business Overview.* Adjusted premiums, fees and other revenues for the year ended December 31, 2023 decreased \$5.5 billion, or 38%, compared to 2022. This was primarily due to lower premiums driven by a large pension risk transfer transaction in 2022, partially offset by growth in our structured settlement, post-retirement benefit, U.K. longevity reinsurance and institutional income annuities businesses.

Adjusted premiums, fees and other revenues for the year ended December 31, 2022 increased \$8.7 billion, or 154%, compared to 2021, primarily due to higher premiums driven by a large pension risk transfer transaction in 2022.

Changes in premiums are generally offset by a corresponding change in policyholder benefits.

	<b>Years Ended December 31,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
	<b>(In millions)</b>		
Total adjusted revenues	\$ 16,635	\$ 20,518	\$ 12,521
Total adjusted expenses	14,477	18,460	9,252
Provision for income tax expense (benefit)	450	423	678
Adjusted earnings	<u>\$ 1,708</u>	<u>\$ 1,635</u>	<u>\$ 2,591</u>
Adjusted premiums, fees and other revenues	<u>\$ 8,832</u>	<u>\$ 14,314</u>	<u>\$ 5,633</u>

Year Ended December 31, 2023 Compared with the Year Ended December 31, 2022

Unless otherwise stated, all amounts discussed below are net of income tax.

**Adjusted Earnings** - Increased \$73 million primarily due to the following business drivers:

**Market Factors** - Increased adjusted earnings by \$9 million:

- Recurring investment income increased - higher yields on fixed income securities and mortgage loans

Substantially offset by:

- Higher average interest crediting rates on investment-type and certain insurance products
- Variable investment income decreased - lower returns on private equity and real estate funds

**Volume Growth** - Increased adjusted earnings by \$56 million:

- Positive flows from pension risk transfer transactions and funding agreement issuances resulted in higher average invested assets

Largely offset by:

- Increase in interest credited expenses on long duration insurance products

**Underwriting and Other Insurance Adjustments** - Increased adjusted earnings by \$35 million:

- Favorable mortality - structured settlements and pension risk transfer businesses

**Expenses** - Decreased adjusted earnings by \$22 million:

- Higher expenses, including technology and certain employee-related costs

**Notable Items** - Decreased adjusted earnings by \$18 million:

- 2023 notable item - favorable impact of \$61 million - actuarial assumption review
- 2022 notable items - favorable impact of \$79 million - reinsurance recapture, partially offset by actuarial assumption review

Year Ended December 31, 2022 Compared with the Year Ended December 31, 2021

Unless otherwise stated, all amounts discussed below are net of income tax.

**Adjusted Earnings** - Decreased \$956 million primarily due to the following business drivers:

**Market Factors** - Decreased adjusted earnings by \$1.2 billion:

- Variable investment income decreased - lower returns on private equity and hedge funds
- Higher average interest crediting rates on investment-type and certain insurance products

Partially offset by:

- Recurring investment income increased - higher yields on fixed income securities and mortgage loans, and higher income on derivatives and real estate investments

**Volume Growth** - Increased adjusted earnings by \$130 million:

- Positive flows from pension risk transfer transactions and funding agreement issuances resulted in higher average invested assets

Largely offset by:

- Increase in interest credited expenses on long duration insurance products

**Underwriting and Other Insurance Adjustments** - Increased adjusted earnings by \$31 million:

- Favorable change from refinements to certain insurance and other liabilities

Partially offset by:

- Less favorable mortality - primarily driven by structured settlements business; partially offset by pension risk transfer business

**Expenses** - Decreased adjusted earnings by \$16 million:

- Higher direct and allocated expenses due to employee-related costs

**Notable Items** - Increased adjusted earnings by \$65 million:

- 2022 notable items - favorable impact of \$79 million - reinsurance recapture, partially offset by actuarial assumption review
- 2021 notable item - favorable impact of \$14 million - actuarial assumption review

***Asia***

**Business Overview.** Adjusted premiums, fees and other revenues for the year ended December 31, 2023 decreased \$377 million, or 5%, compared to 2022. Adjusted premiums, fees and other revenues, net of foreign currency fluctuations, decreased \$5 million compared to 2022, as decreases from annuity, accident & health and yen-denominated life products in Japan were largely offset by higher premiums in Korea.

Adjusted premiums, fees and other revenues for the year ended December 31, 2022 decreased \$774 million, or 10%, compared to 2021. Adjusted premiums, fees and other revenues, net of foreign currency fluctuations, increased \$254 million, or 4%, compared to 2021, mainly due to increases in Japan, Australia and Korea. In Japan, higher fees from foreign currency-denominated life and fixed annuity products were partially offset by a decrease in premiums from yen-denominated life products. The increases in Australia and Korea were primarily due to business growth.

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Total adjusted revenues	\$ 10,926	\$ 11,255	\$ 13,172
Total adjusted expenses	9,086	8,980	9,638
Provision for income tax expense (benefit)	558	658	1,017
Adjusted earnings	\$ 1,282	\$ 1,617	\$ 2,517
Adjusted earnings on a constant currency basis	\$ 1,282	\$ 1,583	\$ 2,395
Adjusted premiums, fees and other revenues	\$ 6,969	\$ 7,346	\$ 8,120
Adjusted premiums, fees and other revenues on a constant currency basis	\$ 6,969	\$ 6,974	\$ 7,092

***Year Ended December 31, 2023 Compared with the Year Ended December 31, 2022***

Unless otherwise stated, all amounts discussed below are net of income tax and foreign currency fluctuations. Foreign currency fluctuations can result in significant variances in the financial statement line items.

**Adjusted Earnings** - Decreased \$335 million on a reported basis, primarily due to the following business drivers:

**Foreign Currency** - Decreased adjusted earnings by \$34 million

- Japanese yen, Korean won, and Australian dollar weakened against the U.S. dollar

**Market Factors** - Decreased adjusted earnings by \$195 million:

- Variable investment income decreased - lower returns on real estate funds
- Higher average interest crediting rates on investment-type products

Partially offset by:

- Recurring investment income increased - higher yields on fixed income securities partially offset by lower derivative income

***Underwriting and Other Insurance Adjustments*** - Decreased adjusted earnings by \$31 million:

- Higher surrender charges in Japan in 2022

***Notable Items*** - Decreased adjusted earnings by \$62 million on a reported basis:

- 2023 notable item - unfavorable impact of \$94 million - actuarial assumption review
- 2022 notable item - unfavorable impact of \$32 million - actuarial assumption review

*Year Ended December 31, 2022 Compared with the Year Ended December 31, 2021*

Unless otherwise stated, all amounts discussed below are net of income tax and foreign currency fluctuations. Foreign currency fluctuations can result in significant variances in the financial statement line items.

**Adjusted Earnings** - Decreased \$900 million on a reported basis primarily due to the following business drivers:

***Foreign Currency*** - Decreased adjusted earnings by \$122 million:

- Japanese yen, Korean won and Australian dollar weakened against the U.S. dollar

***Market Factors*** - Decreased adjusted earnings by \$777 million:

- Variable investment income decreased - lower returns on private equity and hedge funds

***Volume Growth*** - Increased adjusted earnings by \$104 million:

- Higher investment fee income from growth in average invested assets driven by new business and in-force persistency
- Higher sales across the region
- Higher fee income in Japan

***Underwriting and Other Insurance Adjustments*** - Increased adjusted earnings by \$63 million:

- Favorable underwriting - higher surrenders from weakening Japanese yen, partially offset by higher claims primarily due to COVID-19

Partially offset by:

- Unfavorable change from refinements to certain insurance and other liabilities in both years

***Expenses*** - Decreased adjusted earnings by \$46 million:

- Higher employee-related and other operating expenses

***Taxes*** - Decreased adjusted earnings by \$25 million:

- Deferred tax asset write-off in China in 2022

Partially offset by:

- Tax benefit in 2022 resulting from a change in the tax rate in Korea

***Notable Items*** - Decreased adjusted earnings by \$88 million on a reported basis:

- 2022 notable item - unfavorable impact of \$32 million - actuarial assumption review
- 2021 notable item - favorable impact of \$56 million - actuarial assumption review



***Latin America***

*Business Overview.* Adjusted premiums, fees and other revenues for the year ended December 31, 2023 increased \$1.3 billion, or 29%, compared to 2022. Adjusted premiums, fees and other revenues, net of foreign currency fluctuations, increased \$896 million, or 19%, compared to 2022, mainly driven by strong sales in Mexico and Chile and solid persistency across the region.

Adjusted premiums, fees and other revenues for the year ended December 31, 2022 increased \$648 million, or 17%, compared to 2021. Adjusted premiums, fees and other revenues, net of foreign currency fluctuations, increased \$764 million, or 21%, compared to 2021, mainly driven by strong sales and solid persistency across the region.

	<b>Years Ended December 31,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
	<b>(In millions)</b>		
Total adjusted revenues	\$ 7,371	\$ 6,031	\$ 5,061
Total adjusted expenses	6,234	5,082	4,727
Provision for income tax expense (benefit)	297	220	60
Adjusted earnings	<u>\$ 840</u>	<u>\$ 729</u>	<u>\$ 274</u>
Adjusted earnings on a constant currency basis	<u>\$ 840</u>	<u>\$ 806</u>	<u>\$ 231</u>
Adjusted premiums, fees and other revenues	<u>\$ 5,727</u>	<u>\$ 4,438</u>	<u>\$ 3,790</u>
Adjusted premiums, fees and other revenues on a constant currency basis	<u>\$ 5,727</u>	<u>\$ 4,831</u>	<u>\$ 3,674</u>

***Year Ended December 31, 2023 Compared with the Year Ended December 31, 2022***

Unless otherwise stated, all amounts discussed below are net of income tax and foreign currency fluctuations. Foreign currency fluctuations can result in significant variances in the financial statement line items.

**Adjusted Earnings** - Increased \$111 million on a reported basis, primarily due to the following business drivers:

**Foreign Currency** - Increased adjusted earnings by \$77 million:

- Mexican and Chilean pesos strengthened against the U.S. dollar

**Market Factors** - Decreased adjusted earnings by \$65 million:

- Recurring investment income decreased - lower yields on fixed income securities, primarily in Chile
- Variable investment income decreased - lower returns on real estate and private equity funds

**Volume Growth** - Increased adjusted earnings by \$129 million:

- Higher sales across the region
- Higher average invested assets, primarily in Chile and Mexico

Partially offset by:

- Higher commissions and other variable expenses, net of DAC capitalization
- Increase in interest credited expenses on certain insurance products

**Expenses** - Decreased adjusted earnings by \$26 million:

- Higher direct expenses, including employee-related costs, across the region

**Taxes** - Decreased adjusted earnings by \$17 million:

- Tax adjustments in both years primarily driven by a recurring tax item related to inflation in Chile

Partially offset by:

- Tax refund in 2023 related to the filing of a Mexico income tax return

**Notable Items** - Decreased adjusted earnings slightly on a reported basis:

- 2022 notable item - favorable impact of \$1 million - actuarial assumption review

Year Ended December 31, 2022 Compared with the Year Ended December 31, 2021

Unless otherwise stated, all amounts discussed below are net of income tax and foreign currency fluctuations. Foreign currency fluctuations can result in significant variances in the financial statement line items.

**Adjusted Earnings** - Increased \$455 million on a reported basis primarily due to the following business drivers:

**Foreign Currency** - Decreased adjusted earnings by \$43 million:

- Chilean peso weakened against the U.S. dollar

**Market Factors** - Increased adjusted earnings by \$12 million:

- Recurring investment income increased - higher yields on fixed income securities, higher earnings from a joint venture investment in Chile, and an increase in bond index returns on our Chilean encaje within FVO securities.

Largely offset by:

- Variable investment income decreased - lower returns on private equity funds
- Higher interest credited expenses on certain insurance products

**Volume Growth** - Increased adjusted earnings by \$100 million:

- Higher sales across the region
- Higher average invested assets, primarily in Chile and Mexico

Partially offset by:

- Higher commissions and other variable expenses, net of DAC capitalization
- Increase in interest credited expenses on certain insurance products

**Underwriting and Other Insurance Adjustments** - Increased adjusted earnings by \$390 million:

- Favorable underwriting - a decline in COVID-19-related claims, primarily in Mexico and Brazil, and a reduction to the incurred but not reported reserve that was established in 2021

**Expenses** - Decreased adjusted earnings by \$32 million:

- Higher employee-related costs
- Continued investment in technology

Partially offset by:

- Continued expense discipline

**Taxes** - Increased adjusted earnings by \$39 million:

- Tax adjustments in both years primarily driven by a recurring tax item related to inflation in Chile
- Tax refund in 2022 related to the filing of the Company's 2021 U.S. income tax return

**Notable Items** - Decreased adjusted earnings by \$5 million on a reported basis:

- 2022 notable item - favorable impact of \$1 million - actuarial assumption review
- 2021 notable item - favorable impact of \$6 million - actuarial assumption review

***EMEA***

*Business Overview.* Adjusted premiums, fees and other revenues for the year ended December 31, 2023 increased \$65 million, or 3%, compared to 2022. Adjusted premiums, fees and other revenues, net of foreign currency fluctuations, increased \$136 million, or 6%, compared to 2022 primarily due to increases in our (i) corporate solutions business in the Gulf, the U.K. and Egypt, (ii) accident & health business across the region, and (iii) credit life business in Turkey and Romania, as well as (iv) an unfavorable refinement to an unearned revenue reserve in the Gulf in 2022.

Adjusted premiums, fees and other revenues for the year ended December 31, 2022 decreased \$427 million, or 16%, compared to 2021. Adjusted premiums, fees and other revenues, net of foreign currency fluctuations, decreased \$145 million, or 6%, compared to 2021 primarily due to (i) the disposition of MetLife Poland and Greece, (ii) a favorable refinement to an unearned premium reserve in Italy in 2021 and an unfavorable refinement to an unearned revenue reserve in the Gulf in 2022, and (iii) decreases in our corporate solutions and variable life businesses in the Gulf, as well as our pension business in Romania, partially offset by growth in (i) our accident & health business across the region, (ii) our corporate solutions business in Egypt, and (iii) our credit life business in Turkey and Romania.

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Total adjusted revenues	\$ 2,543	\$ 2,441	\$ 2,923
Total adjusted expenses	2,200	2,119	2,523
Provision for income tax expense (benefit)	78	73	94
Adjusted earnings	<u>\$ 265</u>	<u>\$ 249</u>	<u>\$ 306</u>
Adjusted earnings on a constant currency basis	<u>\$ 265</u>	<u>\$ 236</u>	<u>\$ 251</u>
Adjusted premiums, fees and other revenues	<u>\$ 2,346</u>	<u>\$ 2,281</u>	<u>\$ 2,708</u>
Adjusted premiums, fees and other revenues on a constant currency basis	<u>\$ 2,346</u>	<u>\$ 2,210</u>	<u>\$ 2,426</u>

*Year Ended December 31, 2023 Compared with the Year Ended December 31, 2022*

Unless otherwise stated, all amounts discussed below are net of income tax and foreign currency fluctuations. Foreign currency fluctuations can result in significant variances in the financial statement line items.

**Adjusted Earnings** - Increased \$16 million on a reported basis, primarily due to the following business drivers:

**Foreign Currency** - Decreased adjusted earnings by \$13 million:

- Egyptian pound and Turkish lira weakened against the U.S. dollar

Partially offset by:

- Euro strengthened against the U.S. dollar

**Market Factors** - Increased adjusted earnings by \$37 million:

- Recurring investment income increased - higher yields on fixed income securities

**Volume Growth** - Increased adjusted earnings by \$27 million:

- Accident & health business across the region
- Credit life business in Turkey
- Corporate solutions business in the Gulf, Egypt and the U.K.
- Ordinary life business in Europe

**Underwriting and Other Insurance Adjustments** - Increased adjusted earnings by \$9 million:

- Favorable change from a 2022 refinement to certain insurance and other liabilities in the Gulf
- Favorable underwriting - corporate solutions business in the U.K., ordinary and variable life businesses in the Gulf, and variable life business in the Czech Republic

Largely offset by:

- Unfavorable underwriting - corporate solutions business in the Gulf and Egypt, accident and health business in the Gulf, and ordinary life business in Europe

**Expenses** - Decreased adjusted earnings by \$33 million:

- Higher direct expenses, including employee-related costs, across the region, as well as certain pension, postretirement and postemployment benefit costs

**Taxes** - Decreased adjusted earnings by \$10 million:

- Tax adjustments in both years

**Notable Items** - Increased adjusted earnings by \$3 million on a reported basis:

- 2023 notable items - favorable impact of \$18 million - actuarial assumption review and other insurance adjustments
- 2022 notable items - favorable impact of \$15 million - actuarial assumption review and other insurance adjustments

Year Ended December 31, 2022 Compared with the Year Ended December 31, 2021

Unless otherwise stated, all amounts discussed below are net of income tax and foreign currency fluctuations. Foreign currency fluctuations can result in significant variances in the financial statement line items.

**Adjusted Earnings** - Decreased \$57 million on a reported basis primarily due to the following business drivers:

**Foreign Currency** - Decreased adjusted earnings by \$55 million:

- Turkish lira, euro and British pound weakened against the U.S. dollar

**Volume Growth** - Increased adjusted earnings by \$5 million:

- Accident & health business across the region
- Credit life business in Turkey
- Corporate solutions business in Egypt
- Ordinary life business in Europe

Partially offset by:

- Variable life and corporate solutions businesses in the Gulf
- Pension business in Romania

**Underwriting and Other Insurance Adjustments** - Increased adjusted earnings by \$22 million:

- Favorable underwriting - primarily due to the impact of the COVID-19 pandemic, which resulted in lower utilization in 2022 and higher claims in 2021 reflected in our:
  - corporate solutions business in Egypt, the U.K. and the Gulf,
  - variable life business in Lebanon and the Czech Republic
  - credit life business in Turkey and Romania

Partially offset by:

- Unfavorable change from refinements to certain insurance-related assets and liabilities in both years

**Expenses** - Decreased adjusted earnings by \$24 million:

- Increases in various operating expenses across the region

**Other** - Decreased adjusted earnings by \$24 million:

- Disposition of MetLife Poland and Greece in 2022
- Amortization of DAC and VOBA

**Notable Items** - Increased adjusted earnings by \$15 million on a reported basis:

- 2022 notable items - favorable impact of \$15 million - actuarial assumption review and other insurance adjustments

**MetLife Holdings**

**Business Overview.** Our MetLife Holdings segment consists of operations relating to products and businesses, previously included in our former retail business, that we no longer actively market in the U.S. As anticipated, adjusted premiums, fees and other revenues continue to decline from expected business run-off. In addition, see Note 9 of the Notes to the Consolidated Financial Statements for information on a transaction to reinsure an in-force block of this business.

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Total adjusted revenues	\$ 8,202	\$ 9,037	\$ 10,898
Total adjusted expenses	7,293	7,752	8,260
Provision for income tax expense (benefit)	176	254	535
Adjusted earnings	\$ 733	\$ 1,031	\$ 2,103
Adjusted premiums, fees and other revenues	\$ 3,708	\$ 4,123	\$ 4,513

Year Ended December 31, 2023 Compared with the Year Ended December 31, 2022

Unless otherwise stated, all amounts discussed below are net of income tax.

**Adjusted Earnings** - Decreased \$298 million primarily due to the following business drivers:

**Market Factors** - Decreased adjusted earnings by \$258 million:

- Variable investment income decreased - lower returns on private equity and real estate funds
- Recurring investment income decreased - lower average invested assets

**Volume Growth** - Decreased adjusted earnings by \$36 million, consistent with business run-off

**Underwriting and Other Insurance Adjustments** - Increased adjusted earnings by \$18 million:

- Lower dividend expense due to dividend scale reductions, as well as run-off in the MLIC closed block

Partially offset by:

- Unfavorable underwriting - life, annuity and long-term care businesses

**Notable Items** - Decreased adjusted earnings by \$24 million:

- 2023 notable items - favorable impact of \$2 million - actuarial assumption review, largely offset by other insurance adjustments
- 2022 notable items - favorable impact of \$26 million - reinsurance settlement, partially offset by actuarial assumption review and other insurance adjustments

Year Ended December 31, 2022 Compared with the Year Ended December 31, 2021

Unless otherwise stated, all amounts discussed below are net of income tax.

**Adjusted Earnings** - Decreased \$1.1 billion primarily due to the following business drivers:

**Market Factors** - Decreased adjusted earnings by \$1.2 billion:

- Variable investment income decreased - lower returns on private equity and hedge funds, as well as lower prepayment fees

**Volume Growth** - Decreased adjusted earnings by \$135 million, consistent with business run-off

**Underwriting and Other Insurance Adjustments** - Increased adjusted earnings by \$179 million:

- Favorable underwriting - favorable mortality experience in our life business, partially offset by less favorable morbidity experience in our long-term care business
- Lower dividend expense due to dividend scale reductions, as well as run-off in the MLIC closed block

**Expenses** - Increased adjusted earnings by \$20 million:

- Lower corporate-related expenses

**Notable Items** - Increased adjusted earnings by \$15 million:

- 2022 notable items - favorable impact of \$26 million - reinsurance settlement, partially offset by actuarial assumption review and other insurance adjustments
- 2021 notable item - favorable impact of \$11 million - actuarial assumption review

**Corporate & Other**

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Total adjusted revenues	\$ 808	\$ 655	\$ 766
Total adjusted expenses	1,975	1,613	1,496
Provision for income tax expense (benefit)	(407)	(343)	(574)
Adjusted earnings	(760)	(615)	(156)
Less: Preferred stock dividends	198	185	195
Adjusted earnings available to common shareholders	<u>\$ (958)</u>	<u>\$ (800)</u>	<u>\$ (351)</u>
Adjusted premiums, fees and other revenues	<u>\$ 455</u>	<u>\$ 382</u>	<u>\$ 457</u>

The table below presents adjusted earnings available to common shareholders by source:

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Business activities	\$ 87	\$ 138	\$ 143
Net investment income	353	276	313
Interest expense on debt	(1,047)	(943)	(944)
Corporate initiatives and projects	(67)	(64)	(128)
Other	(493)	(365)	(114)
Provision for income tax (expense) benefit and other tax-related items	407	343	574
Preferred stock dividends	(198)	(185)	(195)
Adjusted earnings available to common shareholders	<u>\$ (958)</u>	<u>\$ (800)</u>	<u>\$ (351)</u>

**Year Ended December 31, 2023 Compared with the Year Ended December 31, 2022**

Unless otherwise stated, all amounts discussed below are net of income tax.

**Adjusted Earnings** - Decreased \$158 million primarily due to the following:

**Business Activities** - Decreased adjusted earnings by \$40 million:

- Higher expenses in certain of our businesses

**Net Investment Income** - Increased adjusted earnings by \$61 million:

- Recurring investment income increased - higher yields on fixed income securities, FVO securities and mortgage loans, and an increase in average invested assets, partially offset by lower income on real estate investments

Largely offset by:

- Variable investment income decreased - lower returns on private equity and real estate funds

**Interest Expense on Debt** - Decreased adjusted earnings by \$82 million:

- Senior note issuances in July 2022, January 2023 and July 2023
- Interest rate increase on surplus notes

Partially offset by:

- Early senior note redemption in February 2023

**Corporate Initiatives and Projects & Other** - Decreased adjusted earnings by \$103 million:

- Higher litigation reserves in 2023 (notable item)
- Higher corporate-related expenses

Partially offset by:

- Lower market-related employee costs
- Lower employee-related expenses

**Taxes** - Favorable change in Corporate & Other's taxes:

- Higher utilization of tax preferred items, which include non-taxable investment income, tax credits and foreign earnings taxed at different rates than the U.S. statutory rate
- IRS audit settlements in both years had no net impact

Partially offset by:

- Higher taxes on stock compensation

*Year Ended December 31, 2022 Compared with the Year Ended December 31, 2021*

Unless otherwise stated, all amounts discussed below are net of income tax.

**Adjusted Earnings** - Decreased \$449 million primarily due to the following:

**Net Investment Income** - Decreased adjusted earnings by \$29 million:

- Variable investment income decreased - lower returns on private equity funds

Partially offset by:

- Recurring investment income increased - higher yields from fixed income securities and increased income on real estate investments, partially offset by lower equity market returns on FVO securities and lower yields on mortgage loans

**Corporate Initiatives and Projects & Other** - Decreased adjusted earnings by \$148 million:

- Higher corporate-related expenses
- Legal reserve release in 2021 (notable item)
- Higher interest expense on tax positions due to audit settlements in both years

Partially offset by:

- Lower employee-related costs

**Taxes** - Unfavorable change in Corporate & Other's taxes:

- Lower utilization of tax preferred items, which include non-taxable investment income, tax credits and foreign earnings taxed at different rates than the U.S. statutory rate
- IRS audit settlement in 2021 (notable item)
- Non-cash transfer of assets from a wholly-owned U.K. investment subsidiary to its U.S. parent in 2021 (notable item)

Partially offset by:

- Lower taxes on stock compensation
- IRS audit settlements in 2022



## Investments

### Overview

We maintain a diversified global general account investment portfolio to support our mix of liabilities in our global businesses. We position our portfolio based on relative value and our view of the economy and financial markets. We maintain our focus on appropriate level of diversification and asset quality.

We manage our investment portfolio using disciplined ALM principles, focusing on cash flow and duration to support our current and future liabilities. Our intent is to match the timing and amount of liability cash outflows with invested assets that have cash inflows of comparable timing and amount, while optimizing risk-adjusted investment income and risk-adjusted total return. Our investment portfolio is heavily weighted toward fixed income investments, with the vast majority of our portfolio invested in fixed maturity securities AFS and mortgage loans. These securities and loans have varying maturities and other characteristics which cause them to be generally well suited for matching the cash flow and duration of insurance liabilities.

### Current Environment

As a global insurance company, we continue to be impacted by the changing global financial and economic environment, the fiscal and monetary policy of governments and central banks around the world and other governmental measures. Global inflation, supply chain disruptions, acts of war and banking sector volatility continue to impact the global economy and financial markets and have caused volatility in the global equity, credit and real estate markets. See “— Industry Trends — Financial and Economic Environment” for further information regarding conditions in the global financial markets and the economy generally which may affect us. These factors may persist for some time and may continue to impact pricing levels of risk-bearing investments, as well as our business operations, investment portfolio and derivatives. Rising market interest rates have impacted our investment portfolio and derivatives. See “— Results of Operations — Consolidated Results” and “— Results of Operations — Consolidated Results — Adjusted Earnings” for impacts on our derivatives and analysis of the period over period changes in investment portfolio results and “Investments — Fixed Maturity Securities AFS — Evaluation of Fixed Maturity Securities AFS for Credit Loss — Evaluation of Fixed Maturity Securities AFS in an Unrealized Loss Position” in Note 11 of the Notes to the Consolidated Financial Statements for impacts on the net unrealized gain (loss) on our fixed maturity securities AFS.

### Selected Country Investments

We have a market presence in numerous countries and, therefore, our investment portfolio, which supports our insurance operations and related policyholder liabilities, as well as our global portfolio diversification objectives, is exposed to risks posed by local political and economic conditions. The countries included in the following table have been the most affected by these risks. The table below presents a summary of selected country fixed maturity securities AFS, at estimated fair value, on a “country of risk basis” (e.g. where the issuer primarily conducts business).

Country	Selected Country Fixed Maturity Securities AFS at December 31, 2023			
	Sovereign (1)	Financial Services	Non-Financial Services	Total (2)
	(Dollars in millions)			
Peru	87	5	178	270
Egypt	84	—	1	85
Ukraine	45	—	2	47
Russian Federation	28	—	—	28
Turkey	17	2	6	25
Total	<u>\$ 261</u>	<u>\$ 7</u>	<u>\$ 187</u>	<u>\$ 455</u>
Investment grade %	31.4 %	45.3 %	87.2 %	54.5 %

(1) Sovereign includes government and agency.

(2) The par value, amortized cost, net of ACL and estimated fair value, net of purchased and written credit default swaps of these securities were \$532 million, \$459 million and \$266 million, respectively, at December 31, 2023. The notional value and estimated fair value of the net purchased credit default swaps were \$192 million and \$3 million, respectively, at December 31, 2023.

We manage direct and indirect investment exposure in the selected countries through fundamental analysis and we continually monitor and adjust our level of investment exposure. We do not expect that our general account investments in these countries will have a material adverse effect on our results of operations or financial condition.

***Investment Portfolio Results***

See “— Overview” for a discussion of our investment portfolio and a summary of how we manage our investment portfolio. The following tables present a reconciliation of net investment income under GAAP to adjusted net investment income and our yield table. The yield table presentation is consistent with how we measure our investment performance for management purposes, and we believe it enhances understanding of our investment portfolio results.

***Reconciliation of Net Investment Income under GAAP to Adjusted Net Investment Income***

	Years Ended December 31,	
	2023	2022
(In millions)		
Net investment income — GAAP	\$ 19,908	\$ 15,916
Investment hedge adjustments	1,012	976
Unit-linked investment income	(1,183)	1,298
Other	12	(1)
Adjusted net investment income (1)	<u>\$ 19,749</u>	<u>\$ 18,189</u>

- (1) See “Financial Measures and Segment Accounting Policies” in Note 2 of the Notes to the Consolidated Financial Statements for a discussion of the adjustments made to net investment income under GAAP in calculating adjusted net investment income.

***Yield Table***

Asset Class	Years Ended December 31,			
	2023		2022	
	Yield% (1)	Amount	Yield% (1)	Amount
(Dollars in millions)				
Fixed maturity securities (2), (3)	4.20 %	\$ 12,499	3.76 %	\$ 11,098
Net mortgage loans (3)	5.15	4,353	4.34	3,536
Real estate and real estate joint ventures	0.12	16	6.40	798
Policy loans	5.41	471	5.15	459
Equity securities	3.61	31	3.96	36
Other limited partnership interests (4)	3.10	455	5.92	860
Cash and short-term investments	5.73	811	2.31	282
Other invested assets		1,666	—	1,670
Investment income	4.58 %	\$ 20,302	4.32 %	\$ 18,739
Investment fees and expenses	(0.13)	(553)	(0.12)	(539)
Net investment income including divested businesses (5)	<u>4.45 %</u>	<u>\$ 19,749</u>	<u>4.20 %</u>	<u>\$ 18,200</u>
Less: net investment income from divested businesses (5)				11
Adjusted net investment income		<u>\$ 19,749</u>		<u>\$ 18,189</u>

- (1) We calculate annualized yields using adjusted net investment income as a percent of average quarterly asset carrying values. Adjusted net investment income excludes realized gains (losses) from sales and disposals and includes the impact of changes in foreign currency exchange rates. Asset carrying values utilized in the calculation of yields exclude unrecognized unrealized gains (losses), mortgage loans originated for third parties, collateral received in connection with our securities lending program, annuities funding structured settlement claims, freestanding derivative assets, collateral received from derivative counterparties and contractholder-directed equity securities. Invested assets reclassified to held-for-sale and ceded policy loans are included in the calculation of yields, but are otherwise excluded from asset carrying values. A yield is not presented for other invested assets, as it is not considered a meaningful measure of performance for this asset class.

- (2) Fixed maturity securities in the yield table includes FVO securities; accordingly, investment income (loss) from fixed maturity securities includes amounts from FVO securities of \$188 million and (\$127) million for the years ended December 31, 2023 and 2022, respectively, and FVO securities asset carrying values are included in the calculation of average quarterly fixed maturity securities asset carrying values in the yield calculation.
- (3) Investment income from fixed maturity securities and net mortgage loans includes prepayment fees and excludes investment income from mortgage loans originated for third parties, respectively. See “— Net Mortgage Loans.”
- (4) See “— Results of Operations — Consolidated Results — Adjusted Earnings” for discussion of results for the year ended December 31, 2023 compared to the year ended December 31, 2022.
- (5) See “Financial Measures and Segment Accounting Policies” in Note 2 of the Notes to the Consolidated Financial Statements for discussion of divested businesses.

See “— Results of Operations — Consolidated Results — Adjusted Earnings” for an analysis of the period over period changes in investment portfolio results.

***Net Investment Gains (Losses)***

We purchase investments to support our insurance liabilities and not to generate net investment gains and losses. However, net investment gains and losses are incurred and can change significantly from period to period due to changes in external influences, including changes in market factors such as interest rates, foreign currency exchange rates, credit spreads and equity markets; counterparty specific factors such as financial performance, credit rating and collateral valuation; and internal factors such as portfolio rebalancing. Changes in these factors from period to period can significantly impact the levels of provision for credit loss and impairments on our investment portfolio, as well as realized gains and losses on investments sold.

See “— Results of Operations — Consolidated Results” for an analysis of the year-over-year changes in realized gains (losses) on investments sold, provision (release) for credit loss and impairments and non-investment portfolio gains (losses).

***Fixed Maturity Securities AFS and Equity Securities***

The following table presents public and private fixed maturity securities AFS and equity securities held at:

Securities by Type	December 31,			
	2023		2022	
	Estimated Fair Value	% of Total	Estimated Fair Value	% of Total
	(Dollars in millions)			
<b>Fixed maturity securities AFS</b>				
Publicly-traded	\$ 209,616	74.5 %	\$ 211,579	76.4 %
Privately-placed	71,796	25.5	65,201	23.6
Total fixed maturity securities AFS	<u>\$ 281,412</u>	<u>100.0 %</u>	<u>\$ 276,780</u>	<u>100.0 %</u>
Percentage of cash and invested assets	60.3 %		61.0 %	
<b>Equity securities</b>				
Publicly-traded	\$ 506	66.8 %	\$ 1,423	84.5 %
Privately-held	251	33.2	261	15.5
Total equity securities	<u>\$ 757</u>	<u>100.0 %</u>	<u>\$ 1,684</u>	<u>100.0 %</u>
Percentage of cash and invested assets	0.2 %		0.4 %	

See Note 11 of the Notes to the Consolidated Financial Statements for information about fixed maturity securities AFS by sector, contractual maturities, continuous gross unrealized losses and equity securities by security type and the related cost, net unrealized gains (losses) and estimated fair value of these securities; as well as realized gains (losses) on sales and disposals and unrealized net gains (losses) recognized in earnings.

Included within fixed maturity securities AFS are structured securities, including residential mortgage-backed securities (“RMBS”), asset-backed securities and collateralized loan obligations (collectively, “ABS & CLO”) and commercial mortgage-backed securities (“CMBS”) (collectively, “Structured Products”). See “— Structured Products” for further information.

*Valuation of Securities.* We are responsible for the determination of the estimated fair value of our investments. We determine the estimated fair value of publicly-traded securities after considering one of three primary sources of information: quoted market prices in active markets, independent pricing services, or independent broker quotations. We determine the estimated fair value of privately-placed securities after considering one of three primary sources of information: market standard internal matrix pricing, market standard internal discounted cash flow techniques, or independent pricing services (after we determine the independent pricing services' use of available observable market data). For publicly-traded securities, the number of quotations obtained varies by instrument and depends on the liquidity of the particular instrument. Generally, we obtain prices from multiple pricing services to cover all asset classes and obtain multiple prices for certain securities, but ultimately utilize the price with the highest placement in the fair value hierarchy. Independent pricing services that value these instruments use market standard valuation methodologies based on data about market transactions and inputs from multiple pricing sources that are market observable or can be derived principally from or corroborated by observable market data. See Note 13 of the Notes to the Consolidated Financial Statements for a discussion of the types of market standard valuation methodologies utilized and key assumptions and observable inputs used in applying these standard valuation methodologies. When a price is not available in the active market or through an independent pricing service, management values the security primarily using market standard internal matrix pricing or discounted cash flow techniques, and non-binding quotations from independent brokers who are knowledgeable about these securities. Independent non-binding broker quotations utilize inputs that may be difficult to corroborate with observable market data. As shown in the following section, less than 1% of our fixed maturity securities AFS were valued using non-binding quotations from independent brokers at December 31, 2023.

Senior management, independent of the trading and investing functions, is responsible for the oversight of control systems and valuation policies for securities, mortgage loans, real estate and derivatives. On a quarterly basis, new transaction types and markets are reviewed and approved to ensure that observable market prices and market-based parameters are used for valuation, wherever possible, and for determining that valuation adjustments, when applied, are based upon established policies and are applied consistently over time. Senior management oversees the selection of independent third-party pricing providers and the controls and procedures to evaluate third-party pricing.

We review our valuation methodologies on an ongoing basis and revise those methodologies when necessary based on changing market conditions. Assurance is gained on the overall reasonableness and consistent application of input assumptions, valuation methodologies and compliance with fair value accounting guidance through controls designed to ensure valuations represent an exit price. Several controls are utilized, including certain monthly controls, which include, but are not limited to, analysis of portfolio returns to corresponding benchmark returns, comparing a sample of executed prices of securities sold to the fair value estimates, comparing fair value estimates to management's knowledge of the current market, reviewing the bid/ask spreads to assess activity, comparing prices from multiple independent pricing services and ongoing due diligence to confirm that independent pricing services use market-based parameters. The process includes a determination of the observability of inputs used in estimated fair values received from independent pricing services or brokers by assessing whether these inputs can be corroborated by observable market data. We ensure that prices received from independent brokers, also referred to herein as "consensus pricing," are representative of estimated fair value by considering such pricing relative to our knowledge of the current market dynamics and current pricing for similar investments.

On a quarterly basis, we also apply a formal process to challenge any prices received from independent pricing services that are not considered representative of estimated fair value. If prices received from independent pricing services are not considered reflective of market activity or representative of estimated fair value, independent non-binding broker quotations are obtained, or an internally developed valuation is prepared. Internally developed valuations of current estimated fair value, compared with pricing received from the independent pricing services, did not produce material differences in the estimated fair values for the majority of the portfolio; accordingly, overrides were not material. This is, in part, because internal estimates are generally based on available market evidence and estimates used by other market participants. In the absence of such market-based evidence, management's best estimate is used.

We have reviewed the significance and observability of inputs used in the valuation methodologies to determine the appropriate fair value hierarchy level for each of our securities. Based on the results of this review and investment class analysis, each instrument is categorized as Level 1, 2 or 3 based on the lowest level significant input to its valuation. See Note 13 of the Notes to the Consolidated Financial Statements for valuation approaches and key inputs by major category of assets or liabilities that are classified within Level 2 and Level 3 of the fair value hierarchy.

**Fair Value of Fixed Maturity Securities AFS and Equity Securities**

Fixed maturity securities AFS and equity securities measured at estimated fair value on a recurring basis and their corresponding fair value pricing sources were as follows:

Level	December 31, 2023			
	Fixed Maturity Securities AFS		Equity Securities	
	(Dollars in millions)			
<b>Level 1</b>				
Quoted prices in active markets for identical assets	\$ 15,330	5.4 %	\$ 429	56.7 %
<b>Level 2</b>				
Independent pricing sources	233,135	82.9	76	10.0
Internal matrix pricing or discounted cash flow techniques	—	—	3	0.4
Significant other observable inputs	\$ 233,135	82.9 %	\$ 79	10.4 %
<b>Level 3</b>				
Independent pricing sources	24,414	8.7	43	5.7
Internal matrix pricing or discounted cash flow techniques	7,830	2.8	197	26.0
Independent broker quotations	703	0.2	9	1.2
Significant unobservable inputs	\$ 32,947	11.7 %	\$ 249	32.9 %
Total at estimated fair value	\$ 281,412	100.0 %	\$ 757	100.0 %

See Note 13 of the Notes to the Consolidated Financial Statements for the fixed maturity securities AFS and equity securities fair value hierarchy; a rollforward of the fair value measurements for securities measured at estimated fair value on a recurring basis using significant unobservable (Level 3) inputs; transfers into and/or out of Level 3; and further information about the valuation approaches and inputs by level by major classes of invested assets that affect the amounts reported above.

The majority of the Level 3 fixed maturity securities AFS and equity securities were concentrated in three sectors at December 31, 2023: foreign corporate securities, U.S. corporate securities and ABS & CLO. During the year ended December 31, 2023, Level 3 fixed maturity securities AFS increased by \$4.2 billion, or 14.5%. The increase was driven by purchases in excess of sales and an increase in estimated fair value recognized in OCI, partially offset by transfers out of Level 3 in excess of transfers into Level 3.

**Fixed Maturity Securities AFS Credit Quality — Ratings**

The Securities Valuation Office of the NAIC evaluates the fixed maturity securities of insurers for regulatory reporting and capital assessment purposes. The NAIC assigns securities to one of six credit quality categories defined as “NAIC designations.” In general, securities with NAIC designations of 1 and 2 are considered investment grade and securities with NAIC designations of 3 through 6 are considered below investment grade. If no NAIC designation is available, then, as permitted by the NAIC, an internally developed designation is used.

NAIC designations for non-agency RMBS and CMBS are based on a modeling methodology that estimates security level expected losses under a variety of economic scenarios. The modeling methodology for non-agency RMBS and CMBS issued prior to January 1, 2013 incorporates the amortized cost of the security (including any purchase discounts and prior impairments) and the likelihood of recovery of the amortized cost; while for non-agency RMBS and CMBS issued after January 1, 2013, the modeling methodology does not incorporate the amortized cost of the security. The NAIC’s objective with the modeling methodology is to increase accuracy in estimating expected losses and recovery value, and to use this credit quality assessment to determine an appropriate RBC charge for non-agency RMBS and CMBS. We utilize these NAIC designations for our non-agency RMBS and CMBS in our disclosures below. The NAIC evaluates non-agency RMBS and CMBS held by insurers on an annual basis. When we acquire non-agency RMBS and CMBS that have not been previously evaluated by the NAIC, an internally developed designation is used until a NAIC designation becomes available.

In addition to the six NAIC designations, the NAIC maintains 20 “NAIC designation categories” which is an additional, more granular credit quality categorization. These NAIC designation categories correspond more closely to the NRSRO’s alpha-numeric credit quality ratings. The NAIC maintains unique RBC factors for each of the 20 NAIC designation categories. The NAIC’s goal is to better align RBC charges on securities with the instruments’ actual credit risk.

Rating agency ratings are based on availability of applicable ratings from rating agencies on the NAIC credit rating provider list, including Moody’s Investors Service (“Moody’s”), S&P, Fitch Ratings (“Fitch”), DBRS Morningstar, A.M. Best Company (“A.M. Best”), Kroll Bond Rating Agency and Egan Jones Ratings Company. If no rating is available from a rating agency, then an internally developed rating is used.

NAIC designations are generally similar to the credit quality ratings of the NRSROs, except for (i) non-agency RMBS and CMBS as described above, and (ii) securities rated Ca or C by NRSROs, included within Caa and lower in our disclosures below, that are designated NAIC 6; accordingly, NAIC designations may not correspond to NRSRO ratings.

The following table presents total fixed maturity securities AFS by NRSRO rating, except for non-agency RMBS and CMBS, which are presented using NAIC designations for modeled securities. In addition, in the following table, the applicable NAIC designation from the NAIC published comparison of NRSRO ratings to NAIC designations is provided.

NRSRO Rating	NAIC Designation	December 31,								
		2023				2022				
		Amortized Cost net of ACL	Unrealized Gains (Losses)	Estimated Fair Value	% of Total	Amortized Cost net of ACL	Unrealized Gains (Losses)	Estimated Fair Value	% of Total	
(Dollars in millions)										
Aaa/Aa/A	1	\$ 209,232	\$ (14,510)	\$ 194,722	69.2 %	\$ 209,951	\$ (19,930)	\$ 190,021	68.7 %	
Baa	2	77,534	(3,854)	73,680	26.2	81,280	(8,086)	73,194	26.5	
Subtotal investment grade		286,766	(18,364)	268,402	95.4	291,231	(28,016)	263,215	95.2	
Ba	3	10,694	(395)	10,299	3.7	11,223	(712)	10,511	3.8	
B	4	2,491	(120)	2,371	0.8	2,786	(215)	2,571	0.9	
Caa and lower	5	280	(22)	258	0.1	517	(116)	401	0.1	
In or near default	6	140	(58)	82	—	85	(3)	82	—	
Subtotal below investment grade		13,605	(595)	13,010	4.6	14,611	(1,046)	13,565	4.8	
Total fixed maturity securities AFS		<u>\$ 300,371</u>	<u>\$ (18,959)</u>	<u>\$ 281,412</u>	<u>100.0 %</u>	<u>\$ 305,842</u>	<u>\$ (29,062)</u>	<u>\$ 276,780</u>	<u>100.0 %</u>	

The following tables present total fixed maturity securities AFS, at estimated fair value, by sector and by NRSRO rating, except for non-agency RMBS and CMBS, which are presented using NAIC designations for modeled securities. In addition, in the following table, the applicable NAIC designation from the NAIC published comparison of the NRSRO ratings to NAIC designations is provided.

<b>Fixed Maturity Securities AFS — by Sector &amp; Credit Quality Rating</b>							
NRSRO Rating	Aaa/Aa/A	Baa	Ba	B	Caa and Lower	In or Near Default	Total Estimated Fair Value
NAIC Designation	1	2	3	4	5	6	
(Dollars in millions)							
<b>December 31, 2023</b>							
U.S. corporate	\$ 42,892	\$ 31,942	\$ 4,093	\$ 1,602	\$ 158	\$ 30	\$ 80,717
Foreign corporate	19,519	32,144	3,300	458	9	14	55,444
Foreign government	37,024	5,727	2,410	245	52	31	45,489
U.S. government and agency	31,876	376	—	—	—	—	32,252
RMBS	28,381	602	68	40	3	2	29,096
ABS & CLO	14,345	2,548	345	26	26	4	17,294
Municipals	10,974	168	29	—	—	—	11,171
CMBS	9,711	173	54	—	10	1	9,949
Total fixed maturity securities AFS	<u>\$ 194,722</u>	<u>\$ 73,680</u>	<u>\$ 10,299</u>	<u>\$ 2,371</u>	<u>\$ 258</u>	<u>\$ 82</u>	<u>\$ 281,412</u>
Percentage of total	69.2 %	26.2 %	3.7 %	0.8 %	0.1 %	— %	100.0 %
<b>December 31, 2022</b>							
U.S. corporate	\$ 40,293	\$ 33,569	\$ 4,281	\$ 1,659	\$ 209	\$ 19	\$ 80,030
Foreign corporate	18,229	30,657	3,121	513	51	1	52,572
Foreign government	38,658	5,143	2,582	256	65	43	46,747
U.S. government and agency	31,786	443	—	—	—	—	32,229
RMBS	25,510	504	59	69	13	10	26,165
ABS & CLO	13,848	2,495	370	74	26	9	16,822
Municipals	11,932	196	24	—	—	—	12,152
CMBS	9,765	187	74	—	37	—	10,063
Total fixed maturity securities AFS	<u>\$ 190,021</u>	<u>\$ 73,194</u>	<u>\$ 10,511</u>	<u>\$ 2,571</u>	<u>\$ 401</u>	<u>\$ 82</u>	<u>\$ 276,780</u>
Percentage of total	68.7 %	26.5 %	3.8 %	0.9 %	0.1 %	— %	100.0 %

**U.S. and Foreign Corporate Fixed Maturity Securities AFS**

We maintain a broadly diversified portfolio of corporate fixed maturity securities AFS across many industries and issuers. This portfolio did not have any exposure to any single issuer in excess of 1% of total investments at either December 31, 2023 or 2022. The top 10 holdings comprised 1% of total investments at both December 31, 2023 and 2022. The table below presents our U.S. and foreign corporate securities portfolios by industry at:

Industry	December 31,			
	2023		2022	
	Estimated Fair Value	% of Total	Estimated Fair Value	% of Total
(Dollars in millions)				
Finance	\$ 32,142	23.5 %	\$ 30,786	23.2 %
Consumer (cyclical and non-cyclical)	28,391	20.9	27,834	21.0
Utility	24,058	17.7	23,215	17.5
Industrial (basic, capital goods and other)	14,240	10.5	14,276	10.8
Transportation	12,132	8.9	11,342	8.5
Communications	10,048	7.4	10,046	7.6
Energy	7,917	5.8	7,711	5.8
Technology	4,262	3.1	4,396	3.3
Other	2,971	2.2	2,996	2.3
Total	<u>\$ 136,161</u>	<u>100.0 %</u>	<u>\$ 132,602</u>	<u>100.0 %</u>

**Structured Products**

Our investments in Structured Products are collateralized by residential mortgages, commercial mortgages, bank loans and other assets. Our investment selection criteria and monitoring include review of credit ratings, characteristics of the assets underlying the securities, borrower characteristics and the level of credit enhancement. We held \$56.3 billion and \$53.0 billion of Structured Products, at estimated fair value, at December 31, 2023 and 2022, respectively, as presented in the RMBS, ABS & CLO and CMBS sections below.

**RMBS**

Our RMBS portfolio is broadly diversified by security type and risk profile.

On a security type basis, RMBS includes collateralized mortgage obligations and pass-through mortgage-backed securities. Collateralized mortgage obligations are structured by dividing the cash flows of mortgage loans into separate pools or tranches of risk that create multiple classes of bonds with varying maturities and priority of payments. Pass-through mortgage-backed securities are secured by a mortgage loan or collection of mortgage loans. The monthly mortgage loan payments from homeowners pass from the originating bank through an intermediary, such as a government agency or investment bank, which collects the payments and, for a fee, remits or passes these payments through to the holders of the pass-through securities.

On a risk profile basis, RMBS includes Agency and Non-Agency securities. Agency RMBS were guaranteed or otherwise supported by the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation or Government National Mortgage Association. Non-Agency securities include prime, prime investor, non-qualified residential mortgage (“NQM”), alternative (“Alt-A”), reperforming and sub-prime mortgage-backed securities. Prime (owner-occupied) and prime investor (non owner-occupied) loans were originated to the most creditworthy borrowers with high quality credit profiles. NQM and Alt-A are classifications of mortgage loans where the risk profile of the borrower is between prime and sub-prime. Sub-prime mortgage lending is the origination of residential mortgage loans to borrowers with weak credit profiles, while reperforming loans were previously delinquent that returned to performing status.



The following table presents our RMBS portfolio by security type, risk profile and ratings profile at:

	December 31,					
	2023			2022		
	Estimated Fair Value	% of Total	Net Unrealized Gains (Losses)	Estimated Fair Value	% of Total	Net Unrealized Gains (Losses)
(Dollars in millions)						
<b>Security type</b>						
Collateralized mortgage obligations	\$ 16,704	57.4 %	\$ (1,268)	\$ 15,275	58.4 %	\$ (1,917)
Pass-through mortgage-backed securities	12,392	42.6	(1,114)	10,890	41.6	(1,414)
Total RMBS	<u>\$ 29,096</u>	<u>100.0 %</u>	<u>\$ (2,382)</u>	<u>\$ 26,165</u>	<u>100.0 %</u>	<u>\$ (3,331)</u>
<b>Risk profile</b>						
Agency	\$ 18,472	63.5 %	\$ (1,650)	\$ 16,291	62.3 %	\$ (2,183)
<b>Non-Agency</b>						
Prime and prime investor	4,827	16.6	(435)	3,958	15.1	(687)
NQM and Alt-A	1,760	6.0	(75)	1,964	7.5	(126)
Reperforming and sub-prime	2,622	9.0	(167)	2,892	11.1	(230)
Other (1)	1,415	4.9	(55)	1,060	4.0	(105)
Subtotal Non-Agency	<u>10,624</u>	<u>36.5 %</u>	<u>(732)</u>	<u>9,874</u>	<u>37.7 %</u>	<u>(1,148)</u>
Total RMBS	<u>\$ 29,096</u>	<u>100.0 %</u>	<u>\$ (2,382)</u>	<u>\$ 26,165</u>	<u>100.0 %</u>	<u>\$ (3,331)</u>
<b>Ratings profile</b>						
Rated Aaa and Aa	\$ 25,307	87.0 %		\$ 21,927	83.8 %	
Designated NAIC 1	\$ 28,384	97.6 %		\$ 25,514	97.5 %	

- (1) Other Non-Agency RMBS are broadly diversified across several subsectors and issuers, including securities collateralized by the following mortgage loan types: single family rental, early buyout securitization and small business commercial.

The majority of our RMBS holdings were rated Aaa and were designated NAIC 1 at both December 31, 2023 and 2022.

We manage our exposure to reperforming and sub-prime RMBS holdings by focusing primarily on senior tranche securities, stress testing the portfolio with severe loss assumptions and closely monitoring the performance of the portfolio. Our reperforming RMBS are generally newer vintage securities and higher quality at purchase and the vast majority are investment grade under NAIC designations (e.g., NAIC 1 and NAIC 2). Our sub-prime RMBS portfolio consists predominantly of securities that were purchased at significant discounts to par value and discounts to the expected principal recovery value of these securities, and the vast majority are investment grade under NAIC designations.

ABS & CLO

Our non-mortgage loan-backed structured securities are comprised of two broad categories of securitizations: ABS & CLO. These portfolios are broadly diversified by collateral type and issuer. The following table presents our ABS & CLO portfolios by collateral type and ratings profile at:

	December 31,					
	2023			2022		
	Estimated Fair Value	% of Total	Net Unrealized Gains (Losses)	Estimated Fair Value	% of Total	Net Unrealized Gains (Losses)
(Dollars in millions)						
<b>ABS</b>						
<b>Collateral type</b>						
Vehicle and equipment loans	\$ 1,605	9.2 %	\$ (23)	\$ 1,404	8.4 %	\$ (61)
Digital infrastructure	1,376	8.0	(77)	1,014	6.0	(112)
Consumer loans	944	5.5	(78)	1,212	7.2	(118)
Credit card	904	5.2	(4)	1,181	7.0	(17)
Franchise	852	4.9	(65)	931	5.5	(113)
Student loans	702	4.1	(58)	814	4.9	(91)
Other (1)	3,038	17.6	(241)	2,896	17.2	(335)
Total ABS	9,421	54.5 %	(546)	9,452	56.2 %	(847)
<b>CLO (2)</b>	7,873	45.5 %	(63)	7,370	43.8 %	(322)
<b>Total ABS &amp; CLO</b>	<b>\$ 17,294</b>	<b>100.0 %</b>	<b>\$ (609)</b>	<b>\$ 16,822</b>	<b>100.0 %</b>	<b>\$ (1,169)</b>
<b>ABS ratings profile</b>						
Rated Aaa and Aa	\$ 3,970	42.1 %		\$ 4,285	45.3 %	
Designated NAIC 1	\$ 7,227	76.7 %		\$ 7,211	76.3 %	
<b>CLO ratings profile</b>						
Rated Aaa and Aa	\$ 5,913	75.1 %		\$ 5,454	74.0 %	
Designated NAIC 1	\$ 7,118	90.4 %		\$ 6,634	90.0 %	
<b>ABS &amp; CLO ratings profile</b>						
Rated Aaa and Aa	\$ 9,883	57.1 %		\$ 9,739	57.9 %	
Designated NAIC 1	\$ 14,345	82.9 %		\$ 13,845	82.3 %	

- (1) Other ABS are broadly diversified across several subsectors and issuers, including securities with the following collateral types: foreign residential loans, transportation equipment and renewable energy.
- (2) Includes primarily securities collateralized by broadly syndicated bank loans.

CMBS

Our CMBS portfolio is comprised primarily of conduit, single asset and single borrower securities. Conduit securities are collateralized by many commercial mortgage loans and are broadly diversified by property type, borrower and geography. The following tables present our CMBS portfolio by collateral type and ratings profile at:

	December 31,					
	2023			2022		
	Estimated Fair Value	% of Total	Net Unrealized Gains (Losses)	Estimated Fair Value	% of Total	Net Unrealized Gains (Losses)
	(Dollars in millions)					
<b>Collateral type</b>						
Conduit	\$ 6,102	61.3 %	\$ (643)	\$ 6,781	67.4 %	\$ (740)
Single asset and single borrower	1,997	20.1	(136)	1,971	19.6	(184)
Agency	735	7.4	(93)	607	5.9	(99)
Commercial real estate collateralized loan obligations	437	4.4	(9)	418	4.2	(14)
Other	678	6.8	(7)	286	2.9	(4)
<b>Total CMBS</b>	<b>\$ 9,949</b>	<b>100.0 %</b>	<b>\$ (888)</b>	<b>\$ 10,063</b>	<b>100.0 %</b>	<b>\$ (1,041)</b>
<b>Ratings profile</b>						
Rated Aaa and Aa	\$ 8,262	83.0 %		\$ 8,138	80.9 %	
Designated NAIC 1	\$ 9,710	97.6 %		\$ 9,765	97.0 %	

***Evaluation of Fixed Maturity Securities AFS for Credit Loss, Rollforward of Allowance for Credit Loss and Credit Loss on Fixed Maturity Securities AFS Recognized in Earnings***

See Note 11 of the Notes to the Consolidated Financial Statements for information about the evaluation of fixed maturity securities AFS for credit loss, rollforward of the ACL, net credit loss provision (release) and impairment (losses), as well as realized gross gains (losses) on sales and disposals of fixed maturity securities AFS at December 31, 2023 and 2022 and for the years ended December 31, 2023, 2022 and 2021.

***Securities Lending Transactions, Repurchase Agreements and Third-Party Custodian Administered Programs***

We participate in securities lending transactions, repurchase agreements and third-party custodian administered programs with unaffiliated financial institutions in the normal course of business for the purpose of enhancing the total return on our investment portfolio.

Securities lending transactions and repurchase agreements: We account for these arrangements as secured borrowings and record a liability in the amount of the cash received. We obtain collateral, usually cash, from the borrower, which must be returned to the borrower when the securities are returned to us. Through these arrangements, we were liable for cash collateral under our control of \$13.8 billion and \$15.2 billion at December 31, 2023 and 2022, respectively, including a portion that may require the immediate return of cash collateral we hold. See Notes 1 and 11 of the Notes to the Consolidated Financial Statements for further information about the secured borrowings accounting and the classification of revenues and expenses.

Third-party custodian administered programs: The estimated fair value of securities we own which are loaned in connection with these programs was \$362 million and \$324 million at December 31, 2023 and 2022, respectively. The estimated fair value of the related non-cash collateral on deposit with third-party custodians on our behalf, which is not reflected in our consolidated financial statements and cannot be sold or re-pledged, was \$371 million and \$331 million at December 31, 2023 and 2022, respectively.

***Net Mortgage Loans***

Our mortgage loan investments are principally collateralized by commercial, agricultural and residential properties. The Company originates and acquires mortgage loans and, in certain cases, transfers proportional rights to cash flows of certain mortgage loans to third parties under participation agreements, which are recorded as secured borrowings. The net mortgage loan information presented herein does not include mortgage loans originated for third parties and the related ACL. See Notes 1 and 11 of the Notes to the Consolidated Financial Statements for further information.

Net mortgage loans carried at amortized cost and the related ACL are summarized as follows at:

Portfolio Segment	December 31,							
	2023				2022			
	Amortized Cost (1)	% of Total	ACL (1)	ACL as % of Amortized Cost	Amortized Cost	% of Total	ACL	ACL as % of Amortized Cost
(Dollars in millions)								
Commercial	\$ 52,111	61.5 %	\$ 295	0.6 %	\$ 52,502	62.3 %	\$ 218	0.4 %
Agricultural	19,559	23.1	171	0.9 %	19,306	22.9	119	0.6 %
Residential	13,096	15.4	182	1.4 %	12,482	14.8	190	1.5 %
Total	<u>\$ 84,766</u>	<u>100.0 %</u>	<u>\$ 648</u>	<u>0.8 %</u>	<u>\$ 84,290</u>	<u>100.0 %</u>	<u>\$ 527</u>	<u>0.6 %</u>

(1) Does not include mortgage loans originated for third parties of \$8.5 billion at amortized cost (\$8.2 billion commercial and \$246 million agricultural) or the related ACL of \$73 million at December 31, 2023.

We diversify our mortgage loan investments by both geographic region and property type to reduce the risk of concentration. Of our net commercial and agricultural mortgage loans carried at amortized cost, 86% are collateralized by properties located in the U.S., with the remaining 14% collateralized by properties located primarily in Mexico, the U.K. and Australia at December 31, 2023. The carrying values of our net commercial and agricultural mortgage loans collateralized by properties located in California, New York and Texas were 15%, 9% and 6%, respectively, of total net commercial and agricultural mortgage loans at December 31, 2023. Additionally, we manage risk when originating commercial and agricultural mortgage loan investments by generally lending up to 75% of the estimated fair value of the underlying real estate collateral.

We manage our residential mortgage loans carried at amortized cost in a similar manner to reduce risk of concentration, with 91% collateralized by properties located in the U.S., and the remaining 9% collateralized by properties located in Chile, at December 31, 2023. The carrying values of our residential mortgage loans located in California, Florida and New York were 32%, 10% and 8%, respectively, of total residential mortgage loans at December 31, 2023.

*Net Commercial Mortgage Loans by Geographic Region and Property Type.* Net commercial mortgage loans are the largest mortgage loan portfolio segment. The tables below present, at amortized cost, the diversification of these investments across geographic regions and property types:

	December 31,			
	2023		2022	
	Amount	% of Total	Amount	% of Total
	(Dollars in millions)			
<b>Region</b>				
Pacific	\$ 9,016	17.3 %	\$ 9,628	18.3 %
Non-U.S.	8,933	17.1	9,299	17.7
Middle Atlantic	7,477	14.3	7,574	14.4
South Atlantic	6,637	12.7	6,617	12.6
West South Central	3,472	6.7	3,721	7.1
New England	2,859	5.5	2,764	5.3
Mountain	2,193	4.2	2,284	4.4
East North Central	1,822	3.5	1,594	3.0
East South Central	654	1.3	620	1.2
West North Central	613	1.2	597	1.1
Multi-Region and Other	8,435	16.2	7,804	14.9
Total amortized cost	<u>\$ 52,111</u>	<u>100.0 %</u>	<u>\$ 52,502</u>	<u>100.0 %</u>
Less: ACL	295		218	
Carrying value, net of ACL	<u>\$ 51,816</u>		<u>\$ 52,284</u>	
<b>Property Type</b>				
Office	\$ 19,651	37.7 %	\$ 21,009	40.0 %
Apartment	11,974	23.0	10,575	20.2
Retail	7,218	13.9	8,046	15.3
Industrial	5,275	10.1	5,607	10.7
Single Family Rental	4,728	9.1	3,979	7.6
Hotel	3,140	6.0	3,172	6.0
Other	125	0.2	114	0.2
Total amortized cost	<u>\$ 52,111</u>	<u>100.0 %</u>	<u>\$ 52,502</u>	<u>100.0 %</u>
Less: ACL	295		218	
Carrying value, net of ACL	<u>\$ 51,816</u>		<u>\$ 52,284</u>	

Our commercial mortgage loan investments are well positioned with exposures concentrated in high quality underlying properties located in primary markets typically with institutional investors who are better positioned to manage their assets during periods of market volatility. Our portfolio is comprised primarily of lower risk loans with higher debt-service coverage ratios (“DSCR”) and lower loan-to-value (“LTV”) ratios, as shown below.

*Credit Quality — Monitoring Process.* We monitor our mortgage loan investments on an ongoing basis, including a review by credit quality indicator and by the performance indicators of current, past due, restructured and under foreclosure. See below for further information on net mortgage loans by credit quality indicator. See Note 11 of the Notes to the Consolidated Financial Statements for further information by performance indicator.

We review our commercial mortgage loan investments on an ongoing basis. These reviews may include an analysis of the property financial statements and rent roll, lease rollover analysis, property inspections, market analysis, estimated valuations of the underlying collateral, LTV ratios, DSCR and tenant creditworthiness. The monitoring process focuses on higher risk loans, which include those that are classified as restructured, delinquent or in foreclosure, as well as loans with higher LTV ratios and lower DSCR. The monitoring process for agricultural mortgage loan investments is generally similar, with a focus on higher risk loans, such as loans with higher LTV ratios. Agricultural mortgage loan investments are reviewed on an ongoing basis which include, property inspections, market analysis, estimated valuations of the underlying collateral, LTV ratios and borrower creditworthiness, including reviews on a geographic and property-type basis. We review our residential mortgage loan investments on an ongoing basis, with a focus on higher risk loans, such as nonperforming loans. See Notes 1 and 11 of the Notes to the Consolidated Financial Statements for information on our evaluation of residential mortgage loan investments and related ACL methodology.

LTV ratios and DSCR are common measures in the assessment of the quality of commercial mortgage loan investments. LTV ratios are a common measure in the assessment of the quality of agricultural mortgage loan investments. LTV ratios compare the amount of the loan to the estimated fair value of the underlying collateral. An LTV ratio greater than 100% indicates that the loan amount is greater than the collateral value. An LTV ratio of less than 100% indicates an excess of collateral value over the loan amount. Generally, the higher the LTV ratio, the higher the risk of experiencing a credit loss. The DSCR compares a property’s net operating income to amounts needed to service the principal and interest due under the loan. Generally, the lower the DSCR, the higher the risk of experiencing a credit loss. For our net commercial mortgage loans, our average LTV ratio was 64% and 57% at December 31, 2023 and 2022, respectively, and our average DSCR was 2.3x and 2.6x at December 31, 2023 and 2022, respectively. The DSCR and the values utilized in calculating the ratio are updated routinely. In addition, the LTV ratio is routinely updated for all but the lowest risk loans as part of our ongoing review of our commercial mortgage loan investments. For our net agricultural mortgage loans, our average LTV ratio was 47% at both December 31, 2023 and 2022. The values utilized in calculating our agricultural mortgage loan investments LTV ratio are developed in connection with the ongoing review of our portfolio and are routinely updated.

The distribution of our net commercial mortgage loan portfolios totaling \$52.1 billion at amortized cost at December 31, 2023 by key credit quality indicators of LTV and DSCR was as follows:

December 31, 2023				
DSCR				
LTV	> 1.2x	1.0-1.2x	< 1.0x	Total
<65%	48.6 %	2.1 %	1.2 %	51.9 %
65% - 75%	23.7 %	2.3 %	1.4 %	27.4 %
76% - 80%	5.5 %	0.9 %	0.7 %	7.1 %
>80%	8.8 %	2.2 %	2.6 %	13.6 %
Total	86.6 %	7.5 %	5.9 %	100.0 %

The distribution of our net agricultural mortgage loan portfolios totaling \$19.6 billion at amortized cost at December 31, 2023 by the key credit quality indicator of LTV was as follows:

December 31, 2023	
LTV	Total
<65%	92.7 %
65% - 75%	6.5 %
76% - 80%	— %
>80%	0.8 %
Total	100.0 %

*Mortgage Loan Allowance for Credit Loss.* Our ACL is established for both pools of loans with similar risk characteristics and for mortgage loan investments with dissimilar risk characteristics, such as collateral dependent loans, individually and on a loan specific basis. We record an allowance for expected lifetime credit loss in earnings within net investment gains (losses) in an amount that represents the portion of the amortized cost basis of mortgage loan investments that the Company does not expect to collect, resulting in mortgage loan investments being presented at the net amount expected to be collected.

In determining our ACL, management (i) pools mortgage loans that share similar risk characteristics, (ii) considers expected lifetime credit loss over contractual terms of mortgage loans, as adjusted for expected prepayments and any extensions, and (iii) considers past events and current and forecasted economic conditions. Actual credit loss realized could be different from the amount of the ACL recorded. These evaluations and assessments are revised as conditions change and new information becomes available, which can cause the ACL to increase or decrease over time as such evaluations are revised. Negative credit migration, including an actual or expected increase in the level of problem loans, will result in an increase in the ACL. Positive credit migration, including an actual or expected decrease in the level of problem loans, will result in a decrease in the ACL. See Notes 1 and 11 of the Notes to the Consolidated Financial Statements for information on how the ACL is established and monitored, and activity in and balances of the ACL.

**Real Estate and Real Estate Joint Ventures**

Our real estate investments are comprised of wholly-owned properties, and interests in both real estate joint ventures and real estate funds which invest in a wide variety of properties and property types, including single and multi-property projects, and are broadly diversified across multiple property types and geographies.

The carrying value of our real estate investments was \$13.3 billion and \$13.1 billion at December 31, 2023 and 2022, respectively, or 2.9% of cash and invested assets, at both December 31, 2023 and 2022.

Our real estate investments are typically stabilized properties that we intend to hold for the longer-term for portfolio diversification and long-term appreciation. Our real estate investment portfolio had significantly appreciated to a \$4.8 billion and \$6.7 billion unrealized gain position at December 31, 2023 and 2022, respectively.

We continuously monitor and assess our real estate investments for impairment when facts and circumstances indicate that the real estate may be impaired. As a result of our impairment analyses on our real estate investments, we recorded impairment (loss) of \$2 million during the year ended December 31, 2023; there was no impairment (loss) during the year ended December 31, 2022.

We diversify our real estate investments by property type, form of equity interest (wholly-owned, joint venture and funds) and geographic region to reduce risk of concentration. See Note 11 of the Notes to the Consolidated Financial Statements for a summary of our real estate investments, by income type, as well as income earned.

Property type diversification: Our real estate investments are categorized by property type as follows at:

Property Type	December 31,			
	2023		2022	
	Carrying Value	% of Total	Carrying Value	% of Total
	(Dollars in millions)			
Office	\$ 4,110	30.8 %	\$ 3,964	30.2 %
Retail	1,261	9.5	1,329	10.1
Apartment	1,160	8.7	1,225	9.3
Land	800	6.0	901	6.9
Hotel	779	5.8	796	6.1
Industrial	423	3.2	356	2.7
Agriculture	7	0.1	5	—
Other	13	0.1	6	—
Wholly-owned and real estate joint ventures	\$ 8,553	64.2 %	\$ 8,582	65.3 %
Diversified property types and multi-property	1,120	8.4	1,042	7.9
Real estate funds	3,659	27.4	3,513	26.8
Total real estate and real estate joint ventures	\$ 13,332	100.0 %	\$ 13,137	100.0 %

Geographical diversification: Wholly-owned and real estate joint ventures totaled \$8.6 billion at December 31, 2023, 67% of which were located in the U.S. and 33% of such properties were located outside the U.S., at December 31, 2023, at carrying value. The portion of these properties located in Japan, Washington, D.C. and Georgia were 30%, 8% and 8%, respectively, at December 31, 2023, at carrying value.

**Other Limited Partnership Interests**

Other limited partnership interests are comprised of investments in private funds, including private equity funds and hedge funds. At December 31, 2023 and 2022, the carrying value of other limited partnership interests was \$14.8 billion and \$14.4 billion, which included \$27 million and \$414 million of hedge funds, respectively. Other limited partnership interests were 3.2% of cash and invested assets at both December 31, 2023 and 2022. Cash distributions on these investments are generated from investment gains, operating income from the underlying investments of the funds and liquidation of the underlying investments of the funds.

We use the equity method of accounting for most of our private equity funds. We generally recognize our share of a private equity fund’s earnings in net investment income on a three-month lag, which is when the information is reported to us. Accordingly, changes in equity market levels, which can impact the underlying results of these private equity funds, are recognized in earnings within our net investment income on a three-month lag.

**Other Invested Assets**

The following table presents the carrying value of our other invested assets by type at:

Asset Type	December 31,			
	2023		2022	
	Carrying Value	% of Total	Carrying Value	% of Total
	(Dollars in millions)			
Freestanding derivatives with positive estimated fair values	\$ 8,737	48.0 %	\$ 11,411	56.9 %
Direct financing leases	1,304	7.2	1,195	6.0
Annuities funding structured settlement claims	1,256	6.9	1,238	6.2
Operating joint ventures (1)	1,142	6.3	1,099	5.5
Company-owned life insurance policies	1,036	5.7	500	2.5
Tax credit and renewable energy partnerships	1,034	5.7	1,318	6.6
FHLB NY common stock	714	3.9	729	3.6
Leveraged leases	689	3.8	731	3.6
Funds withheld	436	2.4	359	1.8
Other	1,854	10.1	1,458	6.8
<b>Total</b>	<b>\$ 18,202</b>	<b>100 %</b>	<b>\$ 20,038</b>	<b>100 %</b>
Percentage of cash and invested assets	3.9 %		4.4 %	

(1) See Note 3 of the Notes to the Consolidated Financial Statements for information regarding the Company’s pending disposition of MetLife Malaysia.

See Notes 1, 11 and 12 of the Notes to the Consolidated Financial Statements for information regarding freestanding derivatives with positive estimated fair values, tax credit and renewable energy partnerships, annuities funding structured settlement claims, direct financing and leveraged leases, operating joint ventures, FHLB NY common stock, and funds withheld.

**Investment Commitments**

We enter into the following commitments in the normal course of business for the purpose of enhancing the total return on our investment portfolio: mortgage loan commitments and commitments to fund partnerships, bank credit facilities, bridge loans and private corporate bond investments. See Note 24 of the Notes to the Consolidated Financial Statements for the amount of our unfunded investment commitments at December 31, 2023 and 2022. See “Net Investment Income” and “Net Investment Gains (Losses)” in Note 11 of the Notes to the Consolidated Financial Statements for information on the investment income, investment expense, gains and losses from such investments and the liability for credit loss for unfunded mortgage loan commitments. See also “— Fixed Maturity Securities AFS and Equity Securities,” “— Net Mortgage Loans,” “— Real Estate and Real Estate Joint Ventures” and “— Other Limited Partnership Interests.”



## **Derivatives**

### ***Overview***

We are exposed to various risks relating to our ongoing business operations, including interest rate, foreign currency exchange rate, credit and equity market. We use a variety of strategies to manage these risks, including the use of derivatives, such as market standard purchased and written credit default swap contracts. See Note 12 of the Notes to the Consolidated Financial Statements for:

- A comprehensive description of the nature of our derivatives, including the strategies for which derivatives are used in managing various risks.
- Information about the primary underlying risk exposure, gross notional amount, and estimated fair value of our derivatives by type of hedge designation, excluding embedded derivatives held at December 31, 2023 and 2022.
- The statement of operations effects of derivatives in net investments in foreign operations, cash flow, fair value, or nonqualifying hedge relationships for the years ended December 31, 2023, 2022 and 2021.

See “— Summary of Critical Accounting Estimates — Derivatives” for further information on the estimates and assumptions that affect derivatives. See also “Quantitative and Qualitative Disclosures About Market Risk — Management of Market Risk Exposures — Hedging Activities” for more information about our use of derivatives by major hedge program.

### ***Net Derivative Gains (Losses)***

A portion of our derivatives are designated and qualify as accounting hedges, which reduce volatility in earnings. For those derivatives not designated as accounting hedges, changes in market factors lead to the recognition of fair value changes in net derivative gains (losses) generally without an offsetting gain or loss recognized in earnings for the item being hedged, which creates volatility in earnings. We actively evaluate market risk hedging needs and strategies to ensure our free cash flow and capital objectives are met under a range of market conditions.

Certain variable annuity products with guaranteed minimum benefits are accounted for as MRBs and measured at estimated fair value. We use freestanding derivatives to hedge the market risks inherent in these variable annuity guarantees.

We continuously review and refine our hedging strategy in light of changing economic and market conditions, evolving NAIC and the NYDFS statutory requirements, and accounting rule changes. As a part of our current hedging strategy, we maintain portfolio level derivatives in our macro hedge program. These macro hedge program derivatives mitigate the potential deterioration in our capital positions from significant adverse economic conditions.

See “— Results of Operations — Consolidated Results” for an analysis of the year-over-year changes in net derivative gains (losses).

## **Liquidity and Capital Resources**

### ***Overview***

This discussion should be read in conjunction with the following sections included elsewhere herein for additional information regarding the topics noted below:

- Notes to the Consolidated Financial Statements:
  - Note 3 (dispositions);
  - Note 5 (funding agreements, reported in policyholder account balances (“PABs”), and the related pledged collateral);
  - Note 16 (long-term debt, commercial paper and other short-term debt, credit and committed facilities, and debt and facility covenants);
  - Note 17 (collateral financing arrangement and the related pledged collateral);
  - Note 18 (junior subordinated debt securities and the related replacement capital covenant); and
  - Note 19 (preferred stock and common stock, including the calculation and timing of dividend payments, restrictions on dividends, “dividend stopper” provisions, and MetLife, Inc.’s common stock repurchase authorizations).
- Notes to the MetLife, Inc. (Parent Company Only) Condensed Financial Information included in Schedule II of the Financial Statement Schedules:

- Note 4 (affiliated long-term debt); and
- Note 5 (support agreements).
- Risk Factors:
  - “— Capital Risks”;
  - “— Investment Risks — We May Have Difficulty Selling Holdings in Our Investment Portfolio or in Our Securities Lending Program in a Timely Manner to Realize Their Full Value”;
  - “— Economic Environment and Capital Markets Risks — We May Lose Business Due to a Downgrade or a Potential Downgrade in Our Financial Strength or Credit Ratings”; and
  - “— Economic Environment and Capital Markets Risks — We May Not Meet Our Liquidity Needs, Access Capital, or May Face Significantly Increased Cost of Capital Due to Adverse Capital and Credit Market Conditions.”

Our business and results of operations are materially affected by conditions in the global financial markets and the economy generally due to our market presence in numerous countries, large investment portfolio and the sensitivity of our insurance liabilities and derivatives to changing market factors. Changing conditions in the global financial markets and the economy may affect our financing costs and market interest for our debt or equity securities. For further information regarding market factors that could affect our ability to meet liquidity and capital needs, see “— Industry Trends” and “— Investments — Current Environment.”

### **Liquidity Management**

Based upon the strength of our franchise, diversification of our businesses, strong financial fundamentals and the substantial funding sources available to us as described herein, we continue to believe we have access to ample liquidity to meet business requirements under current market conditions and reasonably possible stress scenarios. We continuously monitor and adjust our liquidity and capital plans for MetLife, Inc. and its subsidiaries in light of market conditions, as well as changing needs and opportunities.

#### **Short-term Liquidity and Liquid Assets**

An integral part of our liquidity management includes managing our level of liquid assets. At December 31, 2023 and 2022, our short-term liquidity position was \$19.2 billion and \$16.4 billion, respectively, and liquid assets were \$182.6 billion and \$180.4 billion, respectively.

Short-term liquidity includes cash and cash equivalents and short-term investments, excluding assets that are pledged or otherwise committed, including amounts received in connection with securities lending, repurchase agreements, derivatives, and secured borrowings, as well as amounts held in the closed block.

Liquid assets include short-term liquidity and publicly-traded securities, excluding assets that are pledged or otherwise committed. Assets pledged or otherwise committed include amounts received in connection with securities lending, repurchase agreements, derivatives, regulatory deposits, the collateral financing arrangement, funding agreements and secured borrowings, as well as amounts held in the closed block.

### **Capital Management**

We have established several senior management committees as part of our capital management process. These committees, including the Capital Management Committee and the ERC, regularly review actual and projected capital levels (under a variety of scenarios including stress scenarios) and our annual capital plan in accordance with our capital policy. The Capital Management Committee is comprised of members of senior management, including MetLife, Inc.’s Chief Financial Officer (“CFO”), Treasurer, and CRO. The ERC is also comprised of members of senior management, including MetLife, Inc.’s CFO, CRO and Chief Investment Officer.

Our Board of Directors and senior management are directly involved in the development and maintenance of our capital policy. The capital policy sets forth, among other things, minimum and target capital levels and the governance of the capital management process. All capital actions, including proposed changes to the annual capital plan, capital targets or capital policy, are reviewed by the Finance and Risk Committee of the Board of Directors prior to obtaining full Board of Directors approval. The Board of Directors approves the capital policy and the annual capital plan and authorizes capital actions, as required.

## ***The Company***

### ***Liquidity***

Liquidity refers to the ability to generate adequate amounts of cash to meet our needs. We determine our liquidity needs based on a rolling 12-month forecast by portfolio of invested assets which we monitor daily. We adjust the asset mix and asset maturities based on this rolling 12-month forecast. To support this forecast, we conduct cash flow and stress testing, which include various scenarios of the potential risk of early contractholder and policyholder withdrawal. We include provisions limiting withdrawal rights on many of our products, including general account pension products sold to employee benefit plan sponsors. Certain of these provisions prevent the customer from making withdrawals prior to the maturity date of the product. In the event of significant cash requirements beyond anticipated liquidity needs, we have various alternatives available depending on market conditions and the amount and timing of the liquidity need. These available alternatives include cash flows from operations, sales of liquid assets, global funding sources including commercial paper and various credit and committed facilities.

Under certain stressful market and economic conditions, our access to liquidity may deteriorate, or the cost to access liquidity may increase. A downgrade in our credit or financial strength ratings could also negatively affect our liquidity. If we require significant amounts of cash on short notice in excess of anticipated cash requirements or if we are required to post or return cash collateral in connection with derivatives or our securities lending program, we may have difficulty selling investments in a timely manner, be forced to sell them for less than we otherwise would have been able to realize, or both. In addition, in the event of such forced sale, for securities in an unrealized loss position, realized losses would be incurred on securities sold and impairments would be incurred, if there is a need to sell securities prior to recovery, which may negatively impact our financial condition.

All general account assets within a particular legal entity, other than those which may have been pledged to a specific purpose, are generally available to fund obligations of the general account of that legal entity.

### ***Capital***

We manage our capital position to maintain our financial strength and credit ratings. See “— Rating Agencies” for information regarding such ratings. Our capital position is supported by our ability to generate strong cash flows within our operating companies and borrow funds at competitive rates, as well as by our demonstrated ability to raise additional capital to meet operating and growth needs despite adverse market and economic conditions.

### ***Statutory Capital and Dividends***

Our U.S. insurance subsidiaries have statutory surplus well above levels to meet current regulatory requirements.

RBC requirements are used as minimum capital requirements by the NAIC and the state insurance departments to identify companies that merit regulatory action. RBC is based on a formula calculated by applying factors to various asset, premium, claim, expense and statutory reserve items. The formula takes into account the risk characteristics of the insurer, including asset risk, insurance risk, interest rate risk, market risk and business risk and is calculated on an annual basis. The formula is used as an early warning regulatory tool to identify possible inadequately capitalized insurers for purposes of initiating regulatory action, and not as a means to rank insurers generally. These rules apply to most of our U.S. insurance subsidiaries. State insurance laws provide insurance regulators the authority to require various actions by, or take various actions against, insurers whose total adjusted capital does not meet or exceed certain RBC levels. As of the date of the most recent annual statutory financial statements filed with insurance regulators, the total adjusted capital of each of these subsidiaries subject to these requirements was in excess of each of those RBC levels.

As a Delaware corporation, American Life is subject to Delaware law; however, because it does not conduct insurance business in Delaware or any other U.S. state, it is exempt from RBC requirements under Delaware law. American Life’s operations are also regulated by applicable authorities of the jurisdictions in which it operates and is subject to capital and solvency requirements in those jurisdictions.

The amount of dividends that our insurance subsidiaries can pay to MetLife, Inc. or to other parent entities is constrained by the amount of surplus we hold to maintain our ratings, which provides an additional margin for risk protection and investment in our businesses. We proactively take actions to maintain capital consistent with these ratings objectives, which may include adjusting dividend amounts and deploying financial resources from internal or external sources of capital. Certain of these activities may require regulatory approval. Furthermore, the payment of dividends and other distributions to MetLife, Inc. and other parent entities by their respective insurance subsidiaries is governed by insurance laws and regulations. See “Business — Regulation — State Insurance Regulation” and “— MetLife, Inc. — Liquidity and Capital Sources — Dividends from Subsidiaries.”

*Affiliated Reinsurance Transactions*

Certain subsidiaries of MetLife, Inc. cede certain products to various affiliated U.S. captive reinsurers and affiliated non-U.S. reinsurers for risk and capital management purposes, as well as to manage statutory reserve requirements. The reinsurance activities among these affiliated companies are eliminated within our consolidated results of operations.

Our affiliated U.S. captive reinsurers are licensed under the Special Purpose Financial Captive law adopted by their states of domicile, including Vermont and South Carolina. The statutory reserves of the affiliated ceding companies are supported by a combination of funds withheld assets, investment assets and letters of credit issued by unaffiliated financial institutions. MetLife, Inc. has entered into various support agreements in connection with the activities of these U.S. captive reinsurers.

Our affiliated non-U.S. reinsurers are licensed as insurance companies under the laws of their jurisdictions of domicile, including Bermuda and the Cayman Islands. MetLife, Inc. has agreed to guarantee certain of the reinsurance obligations of one of our affiliated non-U.S. reinsurers.

See Note 9 of the Notes to the Consolidated Financial Statements for further information on our reinsurance activities.

***Rating Agencies***

Rating agencies assign insurer financial strength ratings to MetLife, Inc.’s U.S. life insurance subsidiaries and credit ratings to MetLife, Inc. and certain of its subsidiaries. Financial strength ratings represent the opinion of rating agencies regarding the ability of an insurance company to pay obligations under insurance policies and contracts in accordance with their terms and are not evaluations directed toward the protection of investors in MetLife, Inc.’s securities. Insurer financial strength ratings are not statements of fact nor are they recommendations to purchase, hold or sell any security, contract or policy. Each rating should be evaluated independently of any other rating.

Rating agencies use an “outlook statement” of “positive,” “stable,” “negative” or “developing” to indicate a medium- or long-term trend in credit fundamentals which, if continued, may lead to a rating change. A rating may have a “stable” outlook to indicate that the rating is not expected to change; however, a “stable” rating does not preclude a rating agency from changing a rating at any time, without notice. Certain rating agencies assign rating modifiers such as “CreditWatch” or “under review” to indicate their opinion regarding the potential direction of a rating. These ratings modifiers are generally assigned in connection with certain events such as potential mergers, acquisitions, dispositions or material changes in a company’s results, in order for the rating agency to perform its analysis to fully determine the rating implications of the event.

Our insurer financial strength ratings at the date of this filing are indicated in the following table. Outlook is stable unless otherwise indicated. Additional information about financial strength ratings can be found on the websites of the respective rating agencies.

	<b>A.M. Best</b>	<b>Fitch</b>	<b>Moody’s</b>	<b>S&amp;P</b>
Ratings Structure	“A++ (Superior)” to “S (Suspended)”	“AAA (Exceptionally Strong)” to “C (Distressed)”	“Aaa (Highest Quality)” to “C (Lowest Rated)”	“AAA (Extremely Strong)” to “SD (Selective Default)” or “D (Default)”
American Life Insurance Company	NR	NR	A1 5th of 21	AA- 4th of 21
Metropolitan Life Insurance Company	A+ 2nd of 16	AA- 4th of 19	Aa3 4th of 21	AA- 4th of 21
MetLife Insurance K.K. (MetLife Japan)	NR	NR	NR	AA- 4th of 21
Metropolitan Tower Life Insurance Company	A+ 2nd of 16	AA- 4th of 19	Aa3 4th of 21	AA- 4th of 21

NR = Not rated

Credit ratings indicate the rating agency’s opinion regarding a debt issuer’s ability to meet the terms of debt obligations in a timely manner. They are important factors in our overall funding profile and ability to access certain types of liquidity. The level and composition of regulatory capital at the subsidiary level and our equity capital are among the many factors considered in determining our insurer financial strength ratings and credit ratings. Each agency has its own capital adequacy evaluation methodology, and assessments are generally based on a combination of factors. A downgrade in the credit ratings or insurer financial strength ratings of MetLife, Inc. or its subsidiaries could adversely impact us.

**Summary of the Company’s Primary Sources and Uses of Liquidity and Capital**

Our primary sources and uses of liquidity and capital are summarized as follows:

	<b>Years Ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>(In millions)</b>		
<b>Sources:</b>		
Operating activities, net	\$ 13,721	\$ 13,044
Net change in policyholder account balances	4,711	5,310
Long-term debt issued	1,989	1,013
Total sources	20,421	19,367
<b>Uses:</b>		
Investing activities, net	10,246	2,620
Net change in payables for collateral under securities loaned and other transactions	3,283	10,730
Long-term debt repaid	1,035	85
Collateral financing arrangement repaid	79	50
Derivatives with certain financing elements and other derivative related transaction, net	74	61
Net change in mortgage loan secured financing	163	—
Treasury stock acquired in connection with share repurchases	3,103	3,326
Dividends on preferred stock	198	185
Dividends on common stock	1,566	1,598
Other, net	139	236
Effect of change in foreign currency exchange rates on cash and cash equivalents	91	397
Total uses	19,977	19,288
Net increase (decrease) in cash and cash equivalents	\$ 444	\$ 79

**Cash Flows from Operations**

The principal cash inflows from our insurance activities come from insurance premiums, net investment income, annuity considerations and deposit funds. The principal cash outflows are the result of various life insurance, annuity and pension products, operating expenses and income tax, as well as interest expense.

**Cash Flows from Investments**

The principal cash inflows from our investment activities come from repayments of principal, proceeds from maturities and sales of investments and settlements of freestanding derivatives. The principal cash outflows relate to purchases of investments, issuances of policy loans and settlements of freestanding derivatives. In addition, cash inflows and outflows relate to sales and purchases of businesses. We typically have a net cash outflow from investing activities because cash inflows from insurance operations are reinvested in accordance with our ALM discipline to fund insurance liabilities. We closely monitor and manage these risks through our comprehensive investment risk management process.

**Cash Flows from Financing**

The principal cash inflows from our financing activities come from issuances of debt and other securities, deposits of funds associated with PABs and lending of securities. The principal cash outflows come from repayments of debt and the collateral financing arrangement, payments of dividends on and repurchases or redemptions of MetLife, Inc.’s securities, withdrawals associated with PABs and the return of securities on loan.

***Liquidity and Capital Sources***

Liquidity and capital are provided by a variety of global funding sources, including: (i) preferred and common stock; (ii) short-term debt, which includes commercial paper; (iii) long-term debt; collateral financing arrangement; and junior subordinated debt securities; (iv) PABs, which includes funding agreements; (v) credit and committed facilities; (vi) shelf registration statement, which permits the issuance of public debt, equity and hybrid securities and provides for automatic effectiveness upon filing and has no stated issuance capacity; and (vii) dispositions. Additional details regarding certain of our primary sources of liquidity and capital are included in the Notes to the Consolidated Financial Statements referenced in “— Overview” and are discussed below.

The diversity of our global funding sources enhances our funding flexibility, limits dependence on any one market or source of funds and generally lowers the cost of funds. We have no reason to believe that our lending counterparties will be unable to fulfill their respective contractual obligations under our credit and committed facilities. As commitments under these facilities may expire unused, these amounts do not necessarily reflect our actual future cash funding requirements.

The following table summarizes our outstanding debt at:

	December 31,	
	2023	2022
	(In millions)	
Short-term debt (1)	\$ 119	\$ 175
Long-term debt (2)	\$ 15,548	\$ 14,647
Collateral financing arrangement	\$ 637	\$ 716
Junior subordinated debt securities	\$ 3,161	\$ 3,158

- (1) Includes \$119 million and \$76 million of short-term debt that is non-recourse to MetLife, Inc. and MLIC, subject to customary exceptions, at December 31, 2023 and 2022, respectively. Certain subsidiaries have pledged assets to secure this debt.
- (2) Includes \$442 million and \$447 million of long-term debt that is non-recourse to MetLife, Inc. and MLIC, subject to customary exceptions, at December 31, 2023 and 2022, respectively. Certain investment subsidiaries have pledged assets to secure this debt.

Certain of our debt instruments and committed facilities, as well as our Credit Facility, contain various administrative, reporting, legal and financial covenants. We believe we were in compliance with all applicable financial covenants at December 31, 2023.

### **Liquidity and Capital Uses**

The primary uses of liquidity and capital include: (i) common stock repurchases; (ii) dividends on common and preferred stock; (iii) preferred stock redemptions; (iv) debt repayments; (v) debt repurchases, redemptions and exchanges; (vi) contractual obligations, including PABs and insurance liabilities; (vii) pledged collateral; (viii) securities lending transactions, repurchase agreements and third-party custodian administered programs; (ix) mortgage loan secured financing; and (x) acquisitions. Additional details regarding certain of our primary uses of liquidity and capital are included in the Notes to the Consolidated Financial Statements referenced in “— Overview” and are discussed below.

#### **Common Stock Repurchases and Dividends**

Among other factors that could restrict MetLife, Inc.’s ability to repurchase or pay dividends on its common stock are the “dividend stopper” provisions in MetLife, Inc.’s preferred stock and junior subordinated debentures.

#### **“Dividend Stopper” Provisions in MetLife’s Preferred Stock and Junior Subordinated Debentures**

MetLife, Inc.’s preferred stock and junior subordinated debentures contain “dividend stopper” provisions under which MetLife, Inc. may not pay dividends on instruments junior to those instruments, including MetLife, Inc.’s common stock, nor repurchase its common stock, if payments have not been made on those instruments. The junior subordinated debentures further provide that MetLife, Inc. may, at its option and provided that certain conditions are met, elect to defer payment of interest.

#### **Debt Repurchases, Redemptions and Exchanges**

We may from time to time seek to retire or purchase our outstanding debt through cash purchases, redemptions and/or exchanges for other securities, in open market purchases, privately negotiated transactions or otherwise. Any such repurchases, redemptions, or exchanges will be dependent upon several factors, including our liquidity requirements, contractual restrictions, general market conditions, and applicable regulatory, legal and accounting factors. Whether or not to repurchase or redeem any debt and the size and timing of any such repurchases or redemptions will be determined at our discretion.

#### **Pledged Collateral**

We pledge collateral to, and have collateral pledged to us by counterparties in connection with our derivatives, the collateral financing arrangement related to the reinsurance of closed block liabilities, and with funding and advance agreements. See Note 12 of the Notes to the Consolidated Financial Statements for additional information regarding derivatives.

#### **Securities Lending Transactions, Repurchase Agreements and Third-Party Custodian Administered Programs**

See “— Investments — Securities Lending Transactions, Repurchase Agreements and Third-Party Custodian Administered Programs.”

#### **Mortgage Loan Secured Financing**

See “— Investments — Net Mortgage Loans.”

#### **Contractual Obligations**

##### **Policyholder Account Balances**

See Notes 1 and 5 of the Notes to the Consolidated Financial Statements for a description of the components of PABs, including obligations under funding agreements. See “— Insurance Liabilities” regarding the source and uncertainties associated with the estimation of the contractual obligations related to FPBs and PABs.

The sum of the estimated cash flows of \$299.7 billion (\$37.9 billion of which are estimated to occur in one year or less) exceeds the liability amount of \$219.3 billion included on the consolidated balance sheet principally due to (i) the time value of money, which accounts for a substantial portion of the difference; (ii) differences in assumptions, between the date the liabilities were initially established and the current date; and (iii) liabilities related to accounting conventions, or which are not contractually due, which are excluded.

The estimated cash flows represent cash payments undiscounted as to interest and including assumptions related to the receipt of future premiums and deposits; withdrawals, including unscheduled or partial withdrawals; policy lapses; surrender charges; annuitization; mortality; future interest credited; policy loans and other contingent events as appropriate for the respective product type. Such estimated cash payments are also presented net of estimated future premiums on policies currently in-force and gross of any reinsurance recoverable. For obligations denominated in foreign currencies, cash payments have been estimated using current spot foreign currency rates.

#### Insurance Liabilities

Insurance liabilities include FPBs, MRBs, at estimated fair value, other policy-related balances and policyholder dividends payable, which are all reported on the consolidated balance sheet and are more fully described in Notes 1, 4 and 6 of the Notes to the Consolidated Financial Statements. The sum of the estimated cash flows of \$310.4 billion (\$22.3 billion of which are estimated to occur in one year or less) exceeds the liability amounts of \$219.7 billion included on the consolidated balance sheet principally due to (i) the time value of money, which accounts for a substantial portion of the difference; (ii) differences in assumptions, most significantly mortality, between the date the liabilities were initially established and the current date; and (iii) liabilities related to accounting conventions, or which are not contractually due, which are excluded.

The estimated cash flows reflect future estimated cash payments and (i) are based on mortality, morbidity, lapse and other assumptions comparable with our experience and expectations of future payment patterns; and (ii) consider future premium receipts on current policies in-force. Estimated cash payments are undiscounted as to interest, net of estimated future premiums on in-force policies and gross of any reinsurance recoverable. Payment of amounts related to policyholder dividends left on deposit are projected based on assumptions of policyholder withdrawal activity.

Actual cash payments may differ significantly from the liabilities as presented on the consolidated balance sheet and the estimated cash payments due to differences between actual experience and the assumptions used in the establishment of these liabilities and the estimation of these cash payments.

For the majority of our insurance operations, estimated contractual obligations for FPBs and PABs are derived from the annual asset adequacy analysis used to develop actuarial opinions of statutory reserve adequacy for state regulatory purposes. These cash flows are materially representative of the cash flows under GAAP.

Liabilities arising from our insurance activities primarily relate to benefit payments under various life insurance, annuity and group pension products, as well as payments for policy surrenders, withdrawals and loans. For annuity or deposit type products, surrender or lapse behavior differs somewhat by segment. In the MetLife Holdings segment, which includes individual annuities, lapses and surrenders tend to occur in the normal course of business. For the years ended December 31, 2023 and 2022, general account surrenders and withdrawals from annuity products were \$2.0 billion and \$1.5 billion, respectively. In the RIS segment, which includes pension risk transfers, bank-owned life insurance and other fixed annuity contracts, as well as funding agreements and other capital market products, most of the products offered have fixed maturities or fairly predictable surrenders or withdrawals. With regard to the RIS business products that provide customers with limited rights to accelerate payments, at December 31, 2023, there were funding agreements totaling \$124 million that could be put back to the Company.



***MetLife, Inc.***

***Liquidity and Capital Management***

Liquidity and capital are managed to preserve stable, reliable and cost-effective sources of cash to meet all current and future financial obligations and are provided by a variety of sources, including a portfolio of liquid assets, a diversified mix of short- and long-term funding sources from the wholesale financial markets and the ability to borrow through credit and committed facilities. Liquidity is monitored through the use of internal liquidity risk metrics, including the composition and level of the liquid asset portfolio, timing differences in short-term cash flow obligations, access to the financial markets for capital and debt transactions and exposure to contingent draws on MetLife, Inc.'s liquidity. MetLife, Inc. is an active participant in the global financial markets through which it obtains a significant amount of funding. These markets, which serve as cost-effective sources of funds, are critical components of MetLife, Inc.'s liquidity and capital management. Decisions to access these markets are based upon relative costs, prospective views of balance sheet growth and a targeted liquidity profile and capital structure. A disruption in the financial markets could limit MetLife, Inc.'s access to liquidity.

MetLife, Inc.'s ability to maintain regular access to competitively priced wholesale funds is fostered by its current credit ratings from the major credit rating agencies. We view our capital ratios, credit quality, stable and diverse earnings streams, diversity of liquidity sources and our liquidity monitoring procedures as critical to retaining such credit ratings. See “— The Company — Rating Agencies.”

***Liquid Assets***

At December 31, 2023 and 2022, MetLife holding companies had \$5.2 billion and \$5.4 billion, respectively, in liquid assets. Of these amounts, \$4.2 billion and \$4.5 billion were held by MetLife, Inc. and \$1.0 billion and \$909 million were held by other MetLife holding companies at December 31, 2023 and 2022, respectively. Liquid assets include cash and cash equivalents, short-term investments and publicly-traded securities, excluding assets that are pledged or otherwise committed. Assets pledged or otherwise committed include amounts received in connection with derivatives and the collateral financing arrangement.

Liquid assets held in non-U.S. holding companies are generated in part through dividends from non-U.S. insurance operations. Such dividends are subject to local insurance regulatory requirements, as discussed in “— Liquidity and Capital Sources — Dividends from Subsidiaries.”

See “— Consolidated Company Outlook” for the targeted level of liquid assets at the holding companies.

*MetLife, Inc. and Other MetLife Holding Companies Sources and Uses of Liquid Assets and Sources and Uses of Liquid Assets included in Free Cash Flow*

MetLife, Inc.'s sources and uses of liquid assets, as well as sources and uses of liquid assets included in free cash flow, are summarized as follows:

	Year Ended December 31, 2023		Year Ended December 31, 2022	
	Sources and Uses of Liquid Assets	Sources and Uses of Liquid Assets Included in Free Cash Flow	Sources and Uses of Liquid Assets	Sources and Uses of Liquid Assets Included in Free Cash Flow
<b>(In millions)</b>				
<b>MetLife, Inc. (Parent Company Only)</b>				
<b>Sources:</b>				
Dividends and returns of capital from subsidiaries (1)	\$ 4,786	\$ 4,786	\$ 5,176	\$ 5,176
Long-term debt issued (2)	2,000	—	1,000	1,000
Other, net (3)	306	421	92	44
Total sources	7,092	5,207	6,268	6,220
<b>Uses:</b>				
Capital contributions to subsidiaries	450	450	5	5
Long-term debt repaid — unaffiliated	1,000	—	—	—
Interest paid on debt and financing arrangements — unaffiliated	807	807	764	764
Dividends on common stock	1,566	—	1,598	—
Treasury stock acquired in connection with share repurchases	3,103	—	3,326	—
Dividends on preferred stock	198	198	185	185
Issuances of and (repayments on) loans to subsidiaries and related interest, net (4)	233	233	94	94
Total uses	7,357	1,688	5,972	1,048
Net increase (decrease) in liquid assets, MetLife, Inc. (Parent Company Only)	(265)		296	
Liquid assets, beginning of year	4,473		4,177	
Liquid assets, end of year	\$ 4,208		\$ 4,473	
Free Cash Flow, MetLife, Inc. (Parent Company Only)		3,519		5,172
Net cash provided by operating activities, MetLife, Inc. (Parent Company Only)	\$ 4,183		\$ 4,428	
<b>Other MetLife Holding Companies</b>				
<b>Sources:</b>				
Dividends and returns of capital from subsidiaries	\$ 2,748	\$ 2,748	\$ 1,410	\$ 1,410
Total sources	2,748	2,748	1,410	1,410
<b>Uses:</b>				
Capital contributions to subsidiaries	9	9	87	87
Repayments on and (issuance of) loans to subsidiaries and affiliates and related interest, net	107	107	5	5
Dividends and returns of capital to MetLife, Inc.	2,032	2,032	1,434	1,434
Other, net	483	487	212	390
Total uses	2,631	2,635	1,738	1,916
Net increase (decrease) in liquid assets, Other MetLife Holding Companies	117		(328)	
Liquid assets, beginning of year	910		1,238	
Liquid assets, end of year	\$ 1,027		\$ 910	
Free Cash Flow, Other MetLife Holding Companies		113		(506)
Net increase (decrease) in liquid assets, All Holding Companies	\$ (148)		\$ (32)	
Free Cash Flow, All Holding Companies (5)		\$ 3,632		\$ 4,666

- (1) Dividends and returns of capital to MetLife, Inc. included \$2.8 billion and \$3.8 billion from operating subsidiaries and \$2.0 billion and \$1.4 billion from other MetLife holding companies for the years ended December 31, 2023 and 2022, respectively.
- (2) Included in free cash flow is the portion of long-term debt issued that represents incremental debt to be at or below target leverage ratios.

- (3) Other, net includes \$165 million and \$129 million of net receipts (payments) by MetLife, Inc. to and from subsidiaries under a tax sharing agreement and tax payments to tax agencies for the years ended December 31, 2023 and 2022, respectively.
- (4) See MetLife, Inc. (Parent Company Only) Condensed Statements of Cash Flows included in Schedule II of the Financial Statement Schedules for information regarding the source of liquid assets from receipts on loans to subsidiaries (excluding interest) and the use of liquid assets related to the issuances of loans to subsidiaries (excluding interest).
- (5) See “— Non-GAAP and Other Financial Disclosures” for the reconciliation of net cash provided by operating activities of MetLife, Inc. to free cash flow of all holding companies.

*Sources and Uses of Liquid Assets of MetLife, Inc.*

The primary sources of MetLife, Inc.’s liquid assets are dividends and returns of capital from subsidiaries, issuances of long-term debt, issuances of common and preferred stock, and net receipts from subsidiaries under a tax sharing agreement. MetLife, Inc.’s insurance subsidiaries are subject to regulatory restrictions on the payment of dividends imposed by the regulators of their respective domiciles.

The primary uses of MetLife, Inc.’s liquid assets are principal and interest payments on long-term debt, dividends on and repurchases of common and preferred stock, capital contributions to subsidiaries, funding of business acquisitions, income taxes and operating expenses. MetLife, Inc. is party to various capital support commitments and guarantees with certain of its subsidiaries.

In addition, MetLife, Inc. issues loans to subsidiaries or subsidiaries issue loans to MetLife, Inc. Accordingly, changes in MetLife, Inc. liquid assets include issuances of loans to subsidiaries, proceeds of loans from subsidiaries and the related repayment of principal and payment of interest on such loans.

*Sources and Uses of Liquid Assets of Other MetLife Holding Companies*

The primary sources of liquid assets of other MetLife holding companies are dividends, returns of capital and remittances from their subsidiaries and branches, principally non-U.S. insurance companies; capital contributions received; receipts of principal and interest on loans to subsidiaries and affiliates and borrowings from subsidiaries and affiliates. MetLife, Inc.’s non-U.S. operations are subject to regulatory restrictions on the payment of dividends imposed by local regulators.

The primary uses of liquid assets of other MetLife holding companies are capital contributions paid to their subsidiaries and branches, principally non-U.S. insurance companies; loans to subsidiaries and affiliates; principal and interest paid on loans from subsidiaries and affiliates; dividends and returns of capital to MetLife, Inc. and the following items, which are reported within other, net: business acquisitions; and operating expenses.

***Liquidity and Capital Sources***

MetLife, Inc.’s primary sources of liquidity and capital are provided by a variety of global funding sources, including: (i) dividends from subsidiaries; (ii) issuances of long-term debt; (iii) collateral financing arrangement and junior subordinated debentures; (iv) credit and committed facilities; and (v) dispositions. Additional details regarding certain of MetLife, Inc.’s primary sources of liquidity and capital are included in “— The Company — Liquidity and Capital Sources,” the Notes to the Consolidated Financial Statements referenced in “— Overview” and are discussed below.

*Dividends from Subsidiaries*

MetLife, Inc. relies, in part, on dividends from its subsidiaries to meet its cash requirements. MetLife, Inc.’s insurance subsidiaries are subject to regulatory restrictions on the payment of dividends imposed by the regulators of their respective domiciles. The dividend limitation for U.S. insurance subsidiaries is generally based on the surplus to policyholders at the end of the immediately preceding calendar year and statutory net gain from operations for the immediately preceding calendar year. Statutory accounting practices, as prescribed by insurance regulators of various states in which we conduct business, differ in certain respects from accounting principles used in financial statements prepared in conformity with GAAP. The significant differences relate to the treatment of DAC, certain deferred income tax, required investment liabilities, statutory reserve calculation assumptions, goodwill and surplus notes.

The table below sets forth the dividends permitted to be paid by MetLife, Inc.’s primary U.S. insurance subsidiaries without insurance regulatory approval and the actual dividends paid:

Company	2024		2023		2022	
	Permitted Without Approval (1)	Paid (2)	Permitted Without Approval (1)	Paid (2)	Permitted Without Approval (1)	Paid (2)
	(In millions)					
Metropolitan Life Insurance Company	\$ 3,476	\$ 2,471	\$ 2,471	\$ 3,539	\$ 3,539	
American Life Insurance Company	\$ 945	\$ 1,887	\$ 499	\$ 1,289	\$ 554	
Metropolitan Tower Life Insurance Company	\$ 373	\$ 189	\$ 189	\$ —	\$ 163	

- Reflects dividend amounts that may be paid during the relevant year without prior regulatory approval. However, because dividend tests may be based on dividends previously paid over rolling 12-month periods, if paid before a specified date during such year, some or all of such dividends may require regulatory approval.
- Reflects all amounts paid, including those where regulatory approval was obtained as required.

In addition to the amounts presented in the table above, for the years ended December 31, 2023 and 2022, MetLife, Inc. also received from certain other subsidiaries cash dividends of \$233 million and \$340 million, respectively, as well as cash returns of capital of \$6 million and \$8 million, respectively.

The dividend capacity of our non-U.S. operations is subject to similar restrictions established by the local regulators. The non-U.S. regulatory regimes also commonly limit dividend payments to the parent company to a portion of the subsidiary’s prior year statutory income, as determined by the local accounting principles. The regulators of our non-U.S. operations, including the FSA, may also limit or not permit profit repatriations or other transfers of funds to the U.S. if such transfers are deemed to be detrimental to the solvency or financial strength of the non-U.S. operations, or for other reasons. Most of our non-U.S. subsidiaries are second tier subsidiaries which are owned by various non-U.S. holding companies. The capital and rating considerations applicable to our first tier subsidiaries may also impact the dividend flow into MetLife, Inc.

We proactively manage target and excess capital levels and dividend flows and forecast local capital positions as part of the financial planning cycle. The dividend capacity of certain U.S. and non-U.S. subsidiaries is also subject to business targets in excess of the minimum capital necessary to maintain the desired rating or level of financial strength in the relevant market.

Long-term Debt Outstanding

The following table summarizes the outstanding long-term debt of MetLife, Inc. at:

	December 31,	
	2023	2022
	(In millions)	
Long-term debt — unaffiliated	\$ 14,516	\$ 13,588
Long-term debt — affiliated	\$ 1,585	\$ 1,676
Junior subordinated debt securities	\$ 2,468	\$ 2,465

Liquidity and Capital Uses

MetLife, Inc.’s primary uses of liquidity and capital include: (i) debt service; (ii) cash dividends on common and preferred stock; (iii) capital contributions to subsidiaries; (iv) common stock, preferred stock and debt repurchases and/or redemptions; (v) payment of general operating expenses; (vi) support agreements; and (vii) acquisitions. Additional details regarding certain of MetLife, Inc.’s primary uses of liquidity and capital are included in “— The Company — Liquidity and Capital Uses,” the Notes to the Consolidated Financial Statements referenced in “— Overview” and are discussed below.

Based on our analysis and comparison of our current and future cash inflows from the dividends we receive from subsidiaries that are permitted to be paid without prior insurance regulatory approval, our investment portfolio and other cash flows and anticipated access to the capital markets, we believe there will be sufficient liquidity and capital to enable MetLife, Inc. to make payments on debt, pay cash dividends on its common and preferred stock, contribute capital to its subsidiaries, repurchase its common stock and certain of its other securities, pay all general operating expenses and meet its cash needs under current market conditions and reasonably possible stress scenarios.

*Affiliated Capital and Debt Transactions*

For the years ended December 31, 2023 and 2022, excluding acquisitions, MetLife, Inc. invested a net amount of \$531 million and \$14 million, respectively, in various subsidiaries.

MetLife, Inc. lends funds, as necessary, through credit agreements or otherwise to its subsidiaries and affiliates, some of which are regulated, to meet their capital requirements or to provide liquidity. MetLife, Inc. had loans to subsidiaries outstanding of \$305 million and \$95 million at December 31, 2023 and 2022, respectively.

*Debt Repayments*

MetLife, Inc. intends to repay, redeem or refinance, in whole or in part, all the debt that is due in 2024.

The following table summarizes MetLife, Inc.’s outstanding senior notes by year of maturity, excluding any premium or discount and unamortized issuance costs, at December 31, 2023:

Year of Maturity	Principal (In millions)	Interest Rate
Unaffiliated:		
2024	\$ 1,000	3.60%
2024	\$ 446	5.38%
2025	\$ 500	3.00%
2025	\$ 500	3.60%
2026	\$ 179	0.50%
2029 - 2054	\$ 11,997	Ranging from 0.77% - 6.50%
Affiliated:		
2025	\$ 250	7.45%
2026	\$ 113	1.64%
2026	\$ 97	1.61%
2026	\$ 87	1.59%
2028 - 2031	\$ 1,038	Ranging from 1.72% to 2.16%

*Support Agreements*

MetLife, Inc. and several of its subsidiaries (each, an “Obligor”) are parties to various capital support commitments and guarantees with subsidiaries. Under these arrangements, each Obligor has agreed to cause the applicable entity to meet specified capital and surplus levels or has guaranteed certain contractual obligations. We anticipate that in the event these arrangements place demands upon us, there will be sufficient liquidity and capital to enable us to meet such demands.

**Adopted Accounting Pronouncements**

See Note 1 of the Notes to the Consolidated Financial Statements.

**Future Adoption of Accounting Pronouncements**

See Note 1 of the Notes to the Consolidated Financial Statements.

## Non-GAAP and Other Financial Disclosures

In this report, the Company presents certain measures of its performance on a consolidated and segment basis that are not calculated in accordance with GAAP. We believe that these non-GAAP financial measures enhance the understanding for the Company and our investors of our performance by highlighting the results of operations and the underlying profitability drivers of our business. Segment-specific financial measures are calculated using only the portion of consolidated results attributable to that specific segment.

The following non-GAAP financial measures should not be viewed as substitutes for the most directly comparable financial measures calculated in accordance with GAAP:

Non-GAAP financial measures:	Comparable GAAP financial measures:
(i) adjusted premiums, fees and other revenues	(i) premiums, fees and other revenues
(ii) adjusted earnings	(ii) net income (loss)
(iii) adjusted earnings available to common shareholders	(iii) net income (loss) available to MetLife, Inc.'s common shareholders
(iv) free cash flow of all holding companies	(iv) MetLife, Inc. (parent company only) net cash provided by (used in) operating activities
(v) adjusted net investment income	(v) net investment income

Any of these financial measures shown on a constant currency basis reflect the impact of changes in foreign currency exchange rates and are calculated using average foreign currency exchange rates. The current year period is translated using the current period average foreign currency exchange rates. The prior year periods are translated using the average foreign currency exchange rates of their subsequent year, respectively.

Reconciliations of these non-GAAP financial measures to the most directly comparable historical GAAP financial measures are included in “— Results of Operations” and “— Investments.” Reconciliations of these non-GAAP measures to the most directly comparable GAAP measures are not accessible on a forward-looking basis because we believe it is not possible without unreasonable effort to provide other than a range of net investment gains and losses and net derivative gains and losses, which can fluctuate significantly within or outside the range and from period to period and may have a material impact on net income.

Our definitions of non-GAAP and other financial measures discussed in this report may differ from those used by other companies.

### ***Adjusted earnings and related measures:***

- adjusted earnings;
- adjusted earnings available to common shareholders; and
- adjusted earnings available to common shareholders on a constant currency basis.

These measures are used by management to evaluate performance and allocate resources. Consistent with GAAP guidance for segment reporting, adjusted earnings and components of, or other financial measures based on, adjusted earnings are also our GAAP measures of segment performance. Adjusted earnings and other financial measures based on adjusted earnings are also the measures by which senior management’s and many other employees’ performance is evaluated for the purposes of determining their compensation under applicable compensation plans. Adjusted earnings and other financial measures based on adjusted earnings allow analysis of our performance relative to our business plan and facilitate comparisons to industry results.

The adoption of LDTI impacted the Company’s calculation of adjusted earnings. With the adoption of LDTI, the measurement model was simplified for DAC and VOBA, and most embedded derivatives were reclassified as MRBs. As a result, the Company updated its calculation of adjusted earnings to remove certain adjustments related to the amortization of DAC, VOBA and related intangibles and adjusted for changes in measurement of certain guarantees. Under LDTI, adjusted earnings excludes changes in fair value associated with MRBs, changes in discount rates on certain annuitization guarantees, losses at contract inception for certain single premium business, and asymmetrical accounting associated with in-force reinsurance. All periods presented herein reflect the updated calculation of adjusted earnings.

Adjusted earnings is defined as adjusted revenues less adjusted expenses, net of income tax. Adjusted loss is defined as negative adjusted earnings. Adjusted earnings available to common shareholders is defined as adjusted earnings less preferred stock dividends. For additional information relating to adjusted earnings, see “Financial Measures and Segment Accounting Policies” in Note 2 of the Notes to the Consolidated Financial Statements.

In addition, adjusted earnings available to common shareholders excludes the impact of preferred stock redemption premium, which is reported as a reduction to net income (loss) available to MetLife, Inc.’s common shareholders.

***Return on equity, allocated equity and related measures:***

- Total MetLife, Inc.’s common stockholders’ equity, excluding AOCI other than FCTA, is defined as total MetLife, Inc.’s common stockholders’ equity, excluding the net unrealized investment gains (losses), future policy benefits discount rate remeasurement gains (losses), MRBs instrument-specific credit risk remeasurement gains (losses) and defined benefit plans adjustment components of AOCI, net of income tax.
- Return on MetLife, Inc.’s common stockholders’ equity: net income (loss) available to MetLife, Inc.’s common shareholders divided by MetLife, Inc.’s average common stockholders’ equity.
- Adjusted return on MetLife, Inc.’s common stockholders’ equity: adjusted earnings available to common shareholders divided by MetLife, Inc.’s average common stockholders’ equity.
- Adjusted return on MetLife, Inc.’s common stockholders’ equity, excluding AOCI other than FCTA: adjusted earnings available to common shareholders divided by MetLife, Inc.’s average common stockholders’ equity, excluding AOCI other than FCTA.
- Allocated equity is the portion of MetLife, Inc.’s common stockholders’ equity that management allocates to each of its segments based on local capital requirements and economic capital. See “— Risk Management— Economic Capital.” Allocated equity excludes the impact of AOCI other than FCTA.

The above measures represent a level of equity consistent with the view that, in the ordinary course of business, we do not plan to sell most investments for the sole purpose of realizing gains or losses.

***Expense ratio and direct expense ratio:***

- Expense ratio: other expenses, net of capitalization of DAC, divided by premiums, fees and other revenues.
- Direct expense ratio: adjusted direct expenses divided by adjusted premiums, fees and other revenues. Direct expenses are comprised of employee-related costs, third-party staffing costs, and general and administrative expenses.
- Direct expense ratio, excluding total notable items related to direct expenses and pension risk transfers: adjusted direct expenses excluding total notable items related to direct expenses, divided by adjusted premiums, fees and other revenues, excluding pension risk transfers.

***The following additional information is relevant to an understanding of our performance results and outlook:***

- We sometimes refer to sales activity for various products. These sales statistics do not correspond to revenues under GAAP, but are used as relevant measures of business activity. Further, sales statistics for our Latin America, Asia and EMEA segments are on a constant currency basis.
- Near-term represents one to three years.
- We refer to observable forward yield curves as of a particular date in connection with making our estimates for future results. The observable forward yield curves at a given time are based on implied future interest rates along a range of interest rate durations. This includes the 10-year U.S. Treasury rate which we use as a benchmark rate to describe longer-term interest rates used in our estimates for future results.
- Notable items reflect the unexpected impact of events that affect the Company’s results, but that were unknown and that the Company could not anticipate when it devised its business plan. Notable items also include certain items regardless of the extent anticipated in the business plan, to help investors have a better understanding of MetLife’s results and to evaluate and forecast those results. Notable items represent a positive (negative) impact to adjusted earnings available to common shareholders.

- The Company uses a measure of free cash flow to facilitate an understanding of its ability to generate cash for reinvestment into its businesses or use in non-mandatory capital actions. The Company defines free cash flow as the sum of cash available at MetLife’s holding companies from dividends from operating subsidiaries, expenses and other net flows of the holding companies (including capital contributions to subsidiaries), and net contributions from debt to be at or below target leverage ratios. This measure of free cash flow is prior to capital actions, such as common stock dividends and repurchases, debt reduction and mergers and acquisitions. Free cash flow should not be viewed as a substitute for net cash provided by (used in) operating activities calculated in accordance with GAAP. The free cash flow ratio is typically expressed as a percentage of annual adjusted earnings available to common shareholders. A reconciliation of net cash provided by operating activities of MetLife, Inc. (parent company only) to free cash flow of all holding companies for the years ended December 31, 2023 and 2022 is provided below.
- For further detail relating to total adjusted revenues and total adjusted expenses, as set forth in “— Results of Operations — Segment Results and Corporate & Other,” see total revenues and total expenses, respectively, within the tables in “Financial Measures and Segment Accounting Policies” in Note 2 of the Notes to the Consolidated Financial Statements.

**Reconciliation of Net Cash Provided by Operating Activities of MetLife, Inc. to Free Cash Flow of All Holding Companies**

	<b>Years Ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>(In millions, except ratios)</b>		
MetLife, Inc. (parent company only) net cash provided by operating activities	\$ 4,183	\$ 4,428
Adjustments from net cash provided by operating activities to free cash flow:		
Add: Incremental debt to be at or below target leverage ratios	—	1,000
Add: Capital contributions to subsidiaries	(450)	(5)
Add: Returns of capital from subsidiaries	6	8
Add: Repayments on and (issuances of) loans to subsidiaries, net	(210)	(60)
Add: Investment portfolio and derivatives changes and other, net	(10)	(199)
MetLife, Inc. (parent company only) free cash flow	<u>3,519</u>	<u>5,172</u>
Other MetLife, Inc. holding companies:		
Add: Dividends and returns of capital from subsidiaries	2,748	1,410
Add: Capital contributions to subsidiaries	(9)	(87)
Add: Repayments on and (issuances of) loans to subsidiaries, net	(107)	(5)
Add: Other expenses	(647)	(656)
Add: Dividends and returns of capital to MetLife, Inc.	(2,032)	(1,434)
Add: Investment portfolio and derivative changes and other, net	160	266
Total other MetLife, Inc. holding companies free cash flow	<u>113</u>	<u>(506)</u>
<b>Free cash flow of all holding companies</b>	<u><u>\$ 3,632</u></u>	<u><u>\$ 4,666</u></u>

**Ratio of net cash provided by operating activities to consolidated net income (loss) available to MetLife, Inc.’s common shareholders:**

MetLife, Inc. (parent company only) net cash provided by operating activities	\$ 4,183	\$ 4,428
Consolidated net income (loss) available to MetLife, Inc.’s common shareholders	\$ 1,380	\$ 5,099
Ratio of net cash provided by operating activities (parent company only) to consolidated net income (loss) available to MetLife, Inc.’s common shareholders (1)	303 %	87 %

**Ratio of free cash flow to adjusted earnings available to common shareholders:**

Free cash flow of all holding companies (2)	\$ 3,632	\$ 4,666
Consolidated adjusted earnings available to common shareholders (2)	\$ 5,525	\$ 5,793
Ratio of free cash flow of all holding companies to consolidated adjusted earnings available to common shareholders (2)	66 %	81 %

- (1) Including the free cash flow of other MetLife, Inc. holding companies of \$113 million and (\$506) million for the years ended December 31, 2023 and 2022, respectively, in the numerator of the ratio, this ratio, as adjusted, would be 311% and 77%, respectively.



- (2) i) Consolidated adjusted earnings available to common shareholders for the year ended December 31, 2023 was negatively impacted by notable items related to litigation reserves and settlement costs of (\$76) million, net of income tax, offset by actuarial assumption review and other insurance adjustments of \$14 million, net of income tax. Excluding these notable items from the denominator of the ratio, the adjusted free cash flow ratio for 2023 would be 65%.
- ii) Consolidated adjusted earnings available to common shareholders for the year ended December 31, 2022 was positively impacted by notable items related to actuarial assumption review and other insurance adjustments of \$89 million, net of income tax. Excluding these notable items from the denominator of the ratio, the adjusted free cash flow ratio for 2022 would be 82%.

## **Risk Management**

We have an integrated process for managing risk, that is supported by a Risk Appetite Statement approved by the Board of Directors. Risk management is overseen and conducted through multiple Board and senior management risk committees (financial and non-financial). The risk committees are established at the enterprise, regional and local levels, as needed, to oversee capital and risk positions, approve ALM strategies and limits, and establish certain corporate risk standards and policies. The risk committees are comprised of senior leaders from the lines of business and corporate functions which ensures comprehensive coverage and sharing of risk reporting. The ERC is responsible for reviewing all material risks impacting the enterprise and deciding on actions, if necessary, in the event risks exceed desired tolerances, taking into consideration industry best practices and the current environment to resolve or mitigate those risks.

### ***Three Lines of Defense***

MetLife operates under the “Three Lines of Defense” model. Under this model, the lines of business and corporate functions are the first and primary line of defense in identifying, measuring, monitoring, managing, and reporting risks. Global Risk Management forms the second line of defense providing strategic advisory services and effective challenge and oversight to the business and corporate functions in the first line of defense. Internal Audit serves as the third line of defense, providing independent assurance and testing over the risk and control environment and related processes and controls.

### ***Global Risk Management***

Independent from the lines of business, the centralized Global Risk Management department, led by the CRO, coordinates across all risk committees to ensure that all material risks are properly identified, measured, monitored, managed and reported across the Company. The CRO reports to the Chief Executive Officer (“CEO”) and is primarily responsible for maintaining and communicating the Company’s enterprise risk policies and for monitoring and analyzing all material risks.

Global Risk Management considers and monitors a full range of risks relating to the Company’s solvency, liquidity, earnings, business operations and reputation. Global Risk Management’s primary responsibilities consist of:

- implementing an enterprise risk framework, which outlines our enterprise approach for managing financial and non-financial risk;
- developing policies and procedures for identifying, measuring, monitoring, managing and reporting those risks identified in the enterprise risk framework;
- coordinating Own Risk Solvency Assessment for Board, senior management and regulator use;
- establishing appropriate corporate risk tolerance levels;
- measuring capital on an economic basis;
- mitigating compliance risk and establishing controls;
- integrating climate risk into MetLife’s risk management framework and developing impact assessment capabilities; and
- reporting to (i) the Finance and Risk Committee of the Board of Directors; (ii) the Compensation Committee of the Board of Directors; and (iii) the financial and non-financial senior management committees on various aspects of risk.

### ***Key Risk Types***

MetLife has defined each material risk to which it is exposed and has established individual frameworks to monitor, manage and report on the respective risk.

- **Market Risk:** is the risk of loss due to potential changes in the value of assets and liabilities arising from fluctuations in financial market, real estate, and other economic factors. Market risk is comprised of interest rate risk, equity risk, foreign currency exchange rate risk, spread risk and inflation risk.
- **Credit Risk:** is the risk of loss or credit rating downgrade arising from an obligor or counterparty with a direct or contingent financial obligation to MetLife that is either unable or unwilling to meet its obligation in full and on a timely basis. These risks arise from public fixed income assets, private loans including real estate, derivative transactions, bank deposits, reinsurance treaties and other similar contracts.
- **Insurance Risk:** is the risk of loss or adverse change in insurance liabilities from changes in the level, trend, and volatility of insurance and policyholder behavior experience varying from best estimate assumptions. These variances can be driven by catastrophic events such as pandemics or can be the result of misestimating base assumptions. Insurance risks to MetLife generally arise from mortality, morbidity, longevity, and policyholder behavior.
- **Non-Financial Risk:** is the risk of failed or inadequate internal processes, human errors, system errors or external events that may result in financial loss, non-financial damage, and/or non-compliance with applicable laws and regulations. Non-Financial risk captures operational and compliance risks, including risks such as business interruption, customer protection, financial crime, privacy, fraud and theft, and information security risk.
- **Liquidity Risk:** refers to the risk that MetLife is unable to raise cash necessary to meet current obligations.

### ***Economic Capital***

Economic capital is an internally developed risk capital model, the purpose of which is to measure the risk in the business and to provide a basis upon which capital can be deployed. The economic capital model accounts for the unique and specific nature of the risks inherent in our business. Our economic capital model, coupled with considerations of local capital requirements, aligns segment allocated equity with emerging standards and consistent risk principles. The model applies statistics-based risk evaluation principles to the material risks to which the company is exposed. These consistent risk principles include calibrating required economic capital shock factors to a specific confidence level and time horizon while applying an industry standard method for the inclusion of diversification benefits among risk types. MetLife's management is responsible for the ongoing production and enhancement of the economic capital model and reviews its approach periodically to ensure that it remains consistent with emerging industry practice standards. The adoption of LDTI resulted in changes to the economic capital model. The changes related to this adoption do not represent a change in the composition of the segments and in accordance with GAAP guidance for segment reporting, the Company will apply the changes to the economic capital model prospectively and did not update the economic model for 2022 and 2021. For further information, see "Financial Measures and Segment Accounting Policies" in Note 2 of the Notes to the Consolidated Financial Statements.

### ***Asset/Liability Management***

We actively manage our assets using an approach that is liability driven and balances quality, diversification, asset/liability matching, liquidity, concentration and investment return. The goals of the investment process are to optimize, net of income tax, risk-adjusted investment income and risk-adjusted total return while ensuring that the assets and liabilities are reasonably aligned on a cash flow and duration basis. The ALM process is the shared responsibility of the ALM, Global Risk Management, and Investments departments, with the engagement of senior members of the business segments and Finance, and is governed by the ALM Committees. The ALM Committees' duties include reviewing and approving investment guidelines and limits, approving significant portfolio and ALM strategies and providing oversight of the ALM process. The directives of the ALM Committees are carried out and monitored through ALM Working Groups which are set up to manage risk by geography, product or portfolio type. The ALM Steering Committee oversees the activities of the underlying ALM Committees and Working Groups. The ALM Steering Committee reports to the ERC.

We establish portfolio guidelines that define ranges and limits related to asset allocation, interest rate risk, liquidity, concentration and other risks for each major business segment, legal entity or insurance product group. These guidelines support implementation of investment strategies used to adequately fund our liabilities within acceptable levels of risk. We also establish hedging programs and associated investment portfolios for different blocks of business. The ALM Working Groups monitor these strategies and programs through regular review of portfolio metrics, such as effective duration, yield curve sensitivity, convexity, value at risk, market sensitivities (to interest rates, equity market levels, equity volatility, foreign currency exchange rates and inflation), stress scenario payoffs, liquidity, asset sector concentration and credit quality.

We manage credit risk through in-house fundamental credit analysis of the underlying obligors, issuers, transaction structures and real estate properties. We also manage credit, market valuation and liquidity risk through industry and issuer diversification and asset allocation limits. These risk limits, approved annually by the Investment Risk Committee, promote diversification by asset sector, avoid concentrations in any single issuer and limit overall aggregate credit and equity risk exposure, as measured by our economic capital framework. For real estate assets, we manage credit and market risk through asset allocation limits and by diversifying by geography, property and product type.

***Information Security Risk Management***

For details on information security risk management see “Cybersecurity.”

## **Item 7A. Quantitative and Qualitative Disclosures About Market Risk**

The following discussion on market risk should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Risk Management.”

### ***Market Risk Exposures***

We regularly analyze our exposure to interest rate, foreign currency exchange rate and equity market price risk. As a result of that analysis, we have determined that the estimated fair values of certain assets and liabilities are materially exposed to changes in interest rates, foreign currency exchange rates and equity markets. We have exposure to market risk through our insurance operations and investment activities. For purposes of this disclosure, “market risk” is defined as the risk of loss due to potential changes in the value of assets and liabilities arising from fluctuation in the financial markets and other economic factors.

#### **Interest Rates**

Our exposure to interest rate changes results most significantly from our holdings of fixed maturity securities AFS, mortgage loans, derivatives, and our interest rate sensitive liabilities. Fixed maturity securities AFS include U.S. and foreign government bonds, securities issued by government agencies, corporate bonds, mortgage-backed securities and ABS & CLO, all of which are mainly exposed to changes in medium- and long-term interest rates. The interest rate sensitive liabilities for purposes of this disclosure include FPBs, PABs related to certain investment type contracts, debt and MRBs primarily consisting of variable annuities with guaranteed minimum benefits which have the same type of interest rate exposure (medium- and long-term interest rates) as fixed maturity securities AFS. See “Risk Factors — Economic Environment and Capital Markets Risks — We May Face Difficult Economic Conditions.”

#### **Foreign Currency Exchange Rates**

Our exposure to fluctuations in foreign currency exchange rates against the U.S. dollar results most significantly from our holdings in non-U.S. dollar denominated fixed maturity and equity securities, mortgage loans, and insurance liabilities, as well as through our investments in foreign subsidiaries. The principal currencies that create foreign currency exchange rate risk in our investment portfolios and insurance liabilities are the Japanese yen, the Euro and the British pound. Selectively, we use U.S. dollar assets to support certain long-duration foreign currency liabilities. Through our investments in foreign subsidiaries and joint ventures, we are primarily exposed to the Japanese yen, the Euro, the Australian dollar, the British pound, the Mexican peso, the Chilean peso and the Korean won. In addition to hedging with foreign currency swaps, forwards and options, local surplus in some countries may be held entirely or in part in U.S. dollar assets, which further minimize exposure to foreign currency exchange rate fluctuation risk. We have matched much of our foreign currency insurance liabilities in our foreign subsidiaries with their respective foreign currency assets, thereby reducing our risk to foreign currency exchange rate fluctuation. See “Risk Factors — Economic Environment and Capital Markets Risks — We May Face Difficult Economic Conditions.”

#### **Equity Market**

Along with investments in equity securities and FVO securities, we have exposure to equity market risk through certain liabilities that involve long-term guarantees on equity performance, such as MRBs for variable annuities with guaranteed minimum benefits and certain PABs. Equity exposures associated with real estate and limited partnership interests are excluded from this discussion.

### ***Management of Market Risk Exposures***

We use a variety of strategies to manage interest rate, foreign currency exchange rate and equity market risk, including the use of derivatives.

### **Interest Rate Risk Management**

To support management of interest rate risk, we perform analysis using various models, including multi-scenario cash flow projection models that forecast cash flows of the liabilities and their supporting investments, including derivatives. These projections involve evaluating the potential gain or loss on most of our in-force business under various increasing and decreasing interest rate environments. The NYDFS regulations require that we perform some of these analyses annually as part of our review of the sufficiency of our regulatory reserves. For several of our legal entities, we maintain segmented operating and surplus asset portfolios for the purpose of ALM and the allocation of investment income to product lines. In the U.S., for each segment, invested assets greater than or equal to the GAAP liabilities, net of certain non-invested assets allocated to the segment, are maintained, with any excess allocated to Corporate & Other. The business segments may reflect differences in legal entity, statutory line of business and any product market characteristic which may drive a distinct investment strategy with respect to duration, liquidity or credit quality of the invested assets. Certain smaller entities make use of unsegmented general accounts for which the investment strategy reflects the aggregate characteristics of liabilities in those entities. We measure relative sensitivities of the value of our assets and liabilities to changes in key assumptions utilizing internal models. These models reflect specific product characteristics and include assumptions based on current and anticipated experience regarding lapse, mortality, morbidity and interest crediting rates. In addition, these models include asset cash flow projections reflecting interest payments, sinking fund payments, principal payments, bond calls, mortgage loan prepayments and defaults.

We employ product design, pricing and ALM strategies to reduce the potential effects of interest rate movements. Product design and pricing strategies include the use of surrender charges or restrictions on withdrawals in some products and the ability to reset crediting rates for certain products. ALM strategies include the use of derivatives. We also use reinsurance to mitigate interest rate risk.

We also use common industry metrics, such as duration and convexity, to measure the relative sensitivity of assets and liability values to changes in interest rates. In computing the duration of liabilities, we consider policyholder guarantees and how we intend to set indeterminate policy elements such as interest credits or dividends. Each asset portfolio or portfolio group has a duration target based on the liability duration and the investment objectives of that portfolio. Where a liability cash flow may exceed the maturity of available assets, we may support such liabilities with equity investments, derivatives or interest rate curve mismatch strategies.

### **Foreign Currency Exchange Rate Risk Management**

MetLife has a well-established policy to manage foreign currency exchange rate exposures within its risk tolerance. In general, investments backing specific liabilities are currency matched. This is achieved through direct investments in matching currency or through the use of foreign currency exchange rate derivatives. Enterprise foreign currency exchange rate risk limits are established by the ERC. Management of each of our segments, with oversight from our FX Working Group and the ALM committee for the respective segment, is responsible for managing any foreign currency exchange rate exposure.

We use foreign currency swaps, forwards and options to mitigate the liability exposure, risk of loss and financial statement volatility associated with our investments in foreign subsidiaries, foreign currency denominated fixed income investments and foreign currency insurance liabilities.

### **Equity Market Risk Management**

We manage equity market risk on an integrated basis with other risks through our ALM strategies, including the dynamic hedging with derivatives of certain variable annuity guarantee benefits accounted for as MRBs, as well as reinsurance, in order to limit losses, minimize exposure to large risks, and provide additional capacity for future growth. We also manage equity market risk exposure in our investment portfolio through the use of derivatives. These derivatives include exchange-traded equity futures, equity index options contracts, TRRs and equity variance swaps.

### ***Hedging Activities***

We use derivative contracts primarily to hedge a wide range of risks including interest rate risk, foreign currency exchange rate risk, and equity market risk. Derivative hedges are designed to reduce risk on an economic basis while considering their impact on financial results under different accounting regimes, including GAAP and local statutory accounting. Our derivative hedge programs vary depending on the type of risk being hedged. Some hedge programs are asset or liability specific while others are portfolio hedges that reduce risk related to a group of liabilities or assets. Our use of derivatives by major hedge programs is as follows:

- **Risks Related to Guarantee Benefits** — We use a wide range of derivative contracts to mitigate the risk associated with living guarantee benefits accounted for as MRBs. These derivatives include equity and interest rate futures, interest rate swaps, currency futures/forwards, equity indexed options, TRRs, interest rate option contracts and equity variance swaps.
- **Minimum Interest Rate Guarantees** — For certain liability contracts, we provide the contractholder a guaranteed minimum interest rate. These contracts include certain fixed annuities and other insurance liabilities. We purchase interest rate caps and floors to reduce risk associated with these liability guarantees.
- **Reinvestment Risk in Long-Duration Liability Contracts** — Derivatives are used to hedge interest rate risk related to certain long-duration liability contracts. Hedges include interest rate swaps, swaptions and Treasury bond forwards.
- **Foreign Currency Exchange Rate Risk** — We use foreign currency swaps, futures, forwards and options to hedge foreign currency exchange rate risk. These hedges are generally used to swap foreign currency denominated bonds, investments in foreign subsidiaries or equity market exposures to U.S. dollars. Our foreign subsidiaries also use these hedges to swap non-local currency assets to local currency assets in order to match liabilities.
- **General ALM Hedging Strategies** — In the ordinary course of managing our asset/liability risks, we use interest rate futures, interest rate swaps, interest rate caps, interest rate floors, and inflation swaps. These hedges are designed to reduce interest rate risk or inflation risk related to the existing assets or liabilities or related to expected future cash flows.
- **Macro Hedge Program** — We use equity options, equity TRRs, interest rate swaptions, interest rate swaps and Treasury locks to mitigate the potential loss of legal entity statutory capital under stress scenarios.

### ***Risk Measurement: Sensitivity Analysis***

We measure market risk related to our market sensitive assets and liabilities based on changes in interest rates, foreign currency exchange rates and equity market prices utilizing a sensitivity analysis. This analysis estimates the potential changes in estimated fair value based on a hypothetical 100 basis point change (increase or decrease) in interest rates, as well as a 10% change (increase or decrease) in foreign currency exchange rates and equity market prices. We believe these changes in market rates and prices are reasonably possible in the near term. In performing the analysis summarized below, we used market rates at December 31, 2023. The sensitivity analysis separately calculates each of our market risk exposures (interest rate, foreign currency exchange rate and equity market) relating to our assets and liabilities. We modeled the impact of changes (increases and decreases) in market rates and prices on the estimated fair values of our market sensitive assets and liabilities and present the results with the most adverse level of market risk impact to the Company for each of these market risk exposures as follows:

- the net present values of our interest rate sensitive exposures resulting from a 100-basis point change (increase or decrease) in interest rates;
- estimated fair values of our foreign currency exchange rate sensitive exposures due to a 10% change (appreciation or depreciation) in the value of the U.S. dollar compared to all other currencies; and
- the estimated fair value of our equity market sensitive exposures due to a 10% change (increase or decrease) in equity market prices.

The sensitivity analysis is an estimate and should not be viewed as predictive of our future financial performance. We cannot ensure that our actual losses in any particular period will not exceed the amounts indicated in the table below. Limitations related to this sensitivity analysis include:

- liabilities do not include \$19.7 billion of other policy-related balances largely consisting of claims, unearned revenue liabilities and policyholder dividends;
- the analysis excludes real estate holdings, private equity and hedge fund holdings;
- the market risk information is limited by the assumptions and parameters established in creating the related sensitivity analysis, including the impact of prepayment rates on mortgage loans;
- sensitivities do not include the impact on asset or liability valuation of changes in market liquidity or changes in market credit spreads;
- foreign currency exchange rate risk is not isolated for certain MRBs for variable annuities with guaranteed minimum benefits, as the risk on these instruments is reflected as equity;
- the impact on reported earnings may be materially different from the change in market values, most notably for fixed maturity securities AFS, mortgage loans, FPBs, and derivatives that qualify for hedge accounting; and
- the model assumes that the composition of assets and liabilities remains unchanged throughout the period.

Accordingly, we use such models as tools and not as substitutes for the experience and judgment of our management. Based on our analysis of the impact of a 100-basis point change (increase or decrease) in interest rates, as well as a 10% change (increase or decrease) in foreign currency exchange rates and equity market prices, we have determined that such a change could have a material adverse effect on the estimated fair value of certain assets and liabilities from interest rate, foreign currency exchange rate and equity market exposures.

The table below illustrates the potential loss in estimated fair value for each market risk exposure based on market sensitive assets and liabilities at:

	<b>December 31, 2023</b>	
	<b>(In millions)</b>	
Interest rate risk	\$	8,610
Foreign currency exchange rate risk	\$	2,322
Equity market risk	\$	3

The risk sensitivities derived used a 100-basis point increase to interest rates, a 10% strengthening of the U.S. dollar against foreign currencies, and a 10% decrease in equity prices. The potential losses in estimated fair value presented are for non-trading securities.

The table below provides additional detail regarding the potential gain (loss) from changes in estimated fair value at:

December 31, 2023					
	Notional Amount	Estimated Fair Value (1)	Interest Rate Risk	Foreign Currency Exchange Rate Risk	Equity Market Risk
			Assuming a 100 bps Increase in Interest Rates (2)	Assuming a 10% Appreciation in the U.S. Dollar (3)	Assuming a 10% Decrease in Equity Prices (4)
(In millions)					
<b>Assets</b>					
Fixed maturity securities (5)	\$	282,861	\$ (21,429)	\$ (8,170)	\$ (80)
Mortgage loans	\$	87,753	(2,603)	(757)	—
Other	\$	48,612	(804)	(1,014)	(57)
<b>Total assets</b>			<b>\$ (24,836)</b>	<b>\$ (9,941)</b>	<b>\$ (137)</b>
<b>Liabilities</b>					
Future policy benefits	\$	196,406	\$ 12,982	\$ 3,670	\$ (3)
Policyholder account balances	\$	130,590	3,806	2,791	—
Market risk benefits	\$	3,179	916	39	(385)
Short-term and long-term debt	\$	15,740	1,201	130	—
Other	\$	31,980	420	134	—
<b>Total liabilities</b>			<b>\$ 19,325</b>	<b>\$ 6,764</b>	<b>\$ (388)</b>
<b>Derivative Instruments</b>					
Interest rate	\$	186,577	\$ 691	\$ (2,903)	\$ 68
Foreign currency exchange rate	\$	75,717	\$ 1,674	(154)	790
Credit	\$	15,345	\$ 152	(5)	(4)
Equity market	\$	23,595	\$ (78)	(37)	1
<b>Total derivative instruments</b>			<b>\$ (3,099)</b>	<b>\$ 855</b>	<b>\$ 522</b>
<b>Net Change</b>			<b>\$ (8,610)</b>	<b>\$ (2,322)</b>	<b>\$ (3)</b>
<b>Prior Year Net Change</b>			<b>\$ (9,172)</b>	<b>\$ (2,506)</b>	<b>\$ —</b>
<b>Increase/(Decrease)</b>			<b>\$ (562)</b>	<b>\$ (184)</b>	<b>\$ 3</b>

- (1) The carrying value for FPBs, as reported on the consolidated balance sheets, was used for these sensitivities. See Note 1 of the Notes to the Consolidated Financial Statements for additional details on FPBs.
- (2) Separate account assets and liabilities and contractholder-directed investments supporting unit-linked variable annuity type liabilities (“Unit-linked investments”) and associated PABs, which are interest rate sensitive, are not included herein as any interest rate risk is borne by the contractholder.
- (3) Does not necessarily represent those financial instruments solely subject to foreign currency exchange rate risk. Separate account assets and liabilities and Unit-linked investments and associated PABs, which are foreign currency exchange rate sensitive, are not included herein as any foreign currency exchange rate risk is borne by the contractholder.
- (4) Does not necessarily represent those financial instruments solely subject to equity price risk. Additionally, separate account assets and liabilities and Unit-linked investments and associated PABs, which are equity market sensitive, are not included herein as any equity market risk is borne by the contractholder.
- (5) Includes FVO securities.



**Item 8. Financial Statements and Supplementary Data****Index to Consolidated Financial Statements, Notes and Schedules**

	<b>Page</b>
<a href="#">Report of Independent Registered Public Accounting Firm (PCAOB ID 34)</a>	<a href="#">130</a>
Financial Statements at December 31, 2023 and 2022 and for the Years Ended December 31, 2023, 2022 and 2021:	
<a href="#">Consolidated Balance Sheets</a>	<a href="#">133</a>
<a href="#">Consolidated Statements of Operations</a>	<a href="#">134</a>
<a href="#">Consolidated Statements of Comprehensive Income (Loss)</a>	<a href="#">135</a>
<a href="#">Consolidated Statements of Equity</a>	<a href="#">136</a>
<a href="#">Consolidated Statements of Cash Flows</a>	<a href="#">137</a>
<a href="#">Notes to the Consolidated Financial Statements</a>	
<a href="#">Note 1 — Business, Basis of Presentation and Summary of Significant Accounting Policies</a>	<a href="#">139</a>
<a href="#">Note 2 — Segment Information</a>	<a href="#">168</a>
<a href="#">Note 3 — Dispositions</a>	<a href="#">174</a>
<a href="#">Note 4 — Future Policy Benefits</a>	<a href="#">175</a>
<a href="#">Note 5 — Policyholder Account Balance</a>	<a href="#">197</a>
<a href="#">Note 6 — Market Risk Benefits</a>	<a href="#">212</a>
<a href="#">Note 7 — Separate Accounts</a>	<a href="#">217</a>
<a href="#">Note 8 — Deferred Policy Acquisition Costs, Value of Business Acquired, Unearned Revenue and Other Intangibles</a>	<a href="#">221</a>
<a href="#">Note 9 — Reinsurance</a>	<a href="#">224</a>
<a href="#">Note 10 — Closed Block</a>	<a href="#">229</a>
<a href="#">Note 11 — Investments</a>	<a href="#">231</a>
<a href="#">Note 12 — Derivatives</a>	<a href="#">248</a>
<a href="#">Note 13 — Fair Value</a>	<a href="#">263</a>
<a href="#">Note 14 — Leases</a>	<a href="#">277</a>
<a href="#">Note 15 — Goodwill</a>	<a href="#">278</a>
<a href="#">Note 16 — Long-term and Short-term Debt</a>	<a href="#">279</a>
<a href="#">Note 17 — Collateral Financing Arrangements</a>	<a href="#">281</a>
<a href="#">Note 18 — Junior Subordinated Debt Securities</a>	<a href="#">282</a>
<a href="#">Note 19 — Equity</a>	<a href="#">283</a>
<a href="#">Note 20 — Other Revenues and Other Expenses</a>	<a href="#">300</a>
<a href="#">Note 21 — Employee Benefit Plans</a>	<a href="#">301</a>
<a href="#">Note 22 — Income Tax</a>	<a href="#">309</a>
<a href="#">Note 23 — Earnings Per Common Share</a>	<a href="#">313</a>
<a href="#">Note 24 — Contingencies, Commitments and Guarantees</a>	<a href="#">313</a>
<a href="#">Note 25 — Quarterly Results of Operations (Unaudited)</a>	<a href="#">318</a>
Financial Statement Schedules at December 31, 2023 and 2022 and for the Years Ended December 31, 2023, 2022 and 2021:	
<a href="#">Schedule I — Consolidated Summary of Investments — Other Than Investments in Related Parties</a>	<a href="#">319</a>
<a href="#">Schedule II — Condensed Financial Information (Parent Company Only)</a>	<a href="#">320</a>
<a href="#">Schedule III — Consolidated Supplementary Insurance Information</a>	<a href="#">327</a>
<a href="#">Schedule IV — Consolidated Reinsurance</a>	<a href="#">329</a>

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of MetLife, Inc.

### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of MetLife, Inc. and subsidiaries (the “Company”) as of December 31, 2023 and 2022, the related consolidated statements of operations, comprehensive income (loss), equity, and cash flows for each of the three years in the period ended December 31, 2023, and the related notes and the schedules listed in the Index to Consolidated Financial Statements, Notes and Schedules (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company’s internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 15, 2024, expressed an unqualified opinion on the Company’s internal control over financial reporting.

### Adoption of New Accounting Standard

As discussed in Note 1 to the financial statements, the Company has changed its method of accounting and presentation related to long-duration insurance contracts and certain related balances effective January 1, 2023, due to the adoption of Accounting Standards Update No. 2018-12, *Financial Services— Insurance (Topic 944): Targeted Improvements to the Accounting for Long-Duration Contracts*, as amended (“ASU 2018-12”), with a transition date of January 1, 2021. Also see Critical Audit Matters section below.

### Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

### Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

***Fixed Maturity Securities Available-for-Sale — Fair Value of Level 3 Fixed Maturity Securities — Refer to Notes 1, 11, and 13 to the financial statements***

*Critical Audit Matter Description*

The Company has investments in certain fixed maturity securities classified as available-for-sale whose fair values are based on unobservable inputs that are supported by little or no market activity. When a price is not available in the active market, from an independent pricing service, or from independent broker quotations, management values the security using internal matrix pricing or discounted cash flow techniques. These investments are categorized as Level 3.

We have determined that the fair value of Level 3 fixed maturity securities valued using internal matrix pricing or discounted cash flow techniques is a critical audit matter because of the critical judgments made by management. This required complex auditor judgment and an increased extent of effort, including the use of fair value specialists, in performing audit procedures to evaluate the estimate of fair value of these securities.

*How the Critical Audit Matter Was Addressed in the Audit*

Our audit procedures related to the valuation of Level 3 fixed maturity securities determined using internal matrix pricing or discounted cash flow techniques included, among others, the following:

- We tested the effectiveness of controls over the determination of fair value.
- We tested the accuracy and completeness of relevant security attributes, including credit ratings, maturity dates and coupon rates, used in the determination of Level 3 fair values.
- With the involvement of our fair value specialists, we developed independent fair value estimates for a sample of securities and compared our estimates to the Company's estimates and evaluated differences. We developed our estimate by evaluating the observable and unobservable inputs used by management or developing independent inputs.

***Insurance Liabilities — Valuation of Future Policy Benefits for Long-Term Care Insurance — Refer to Notes 1 and 4 to the financial statements***

*Critical Audit Matter Description*

The Company's products include long-term care insurance policies. Liabilities for amounts payable under long-term care insurance are recorded in future policy benefits in the Company's consolidated balance sheets. Such liabilities are established based on actuarial assumptions. Management's estimate of future policy benefits for long-term care insurance in the MetLife Holdings segment was \$15,240 million as of December 31, 2023.

Management applies considerable judgment in evaluating actual experience and other information to determine current best estimate assumptions. Principal assumptions used in the valuation of future policy benefits for long-term care insurance include incidence, claim terminations, utilization, premium rate increases and mortality.

We have determined that future policy benefits for long-term care insurance is a critical audit matter because of the significant judgments made by management when estimating future policy benefits liability. This required subjective auditor judgment and an increased extent of effort, including the involvement of actuarial specialists, when performing audit procedures to evaluate the judgments made and the reasonableness of the principal assumptions used in the valuation.

*How the Critical Audit Matter Was Addressed in the Audit*

Our audit procedures related to the assumptions used to determine the estimate of future policy benefits for long-term care insurance, included, among others, the following:

- We tested the effectiveness of controls over the assumptions used in the valuation of future policy benefits and the effectiveness of controls over the underlying data.
- With the involvement of our actuarial specialists, we:
  - evaluated judgments applied by management in setting principal assumptions, including evaluating the results of experience studies used as the basis for setting those assumptions.
  - evaluated that principal assumptions were applied in the valuation model as intended, on a sample basis.

***Market Risk Benefits — Valuation of Market Risk Benefits for MetLife Holdings — Refer to Notes 1, 6 and 13 to the financial statements***

*Critical Audit Matter Description*

Market risk benefits are contracts or contract features that guarantee benefits, such as guaranteed minimum benefits, in addition to an account balance, which expose insurance companies to other than nominal capital market risk and protect the contractholder from the same risk. The Company adopted ASU 2018-12, effective January 1, 2023 with a transition date of January 1, 2021 (see Adoption of New Accounting Standard explanatory paragraph above). As part of the adoption, market risk benefits were required to be measured at fair value, using a full retrospective transition method. Management’s estimates of market risk benefits in the MetLife Holdings segment were \$2,878 million in liabilities and \$156 million in assets as of December 31, 2023.

Management applies considerable judgment in determining the actuarial and capital market assumptions to be used in the valuation models to estimate the fair value of market risk benefits. In addition, at the transition date, management judgment was involved in estimating the assumptions at contract inception for the market risk benefits not previously accounted for as embedded derivatives. Principal assumptions include mortality, withdrawal, utilization, lapse and implied volatility.

We have identified the valuation of MetLife Holdings’ market risk benefits as a critical audit matter due to the high degree of auditor judgment and an increased extent of effort, including the use of specialists, when performing audit procedures to evaluate the judgments made by management to estimate the fair value of market risk benefits.

*How the Critical Audit Matter Was Addressed in the Audit*

Our audit procedures related to the valuation of market risk benefits included, among others, the following:

- We tested the effectiveness of controls over valuation of market risk benefits under ASU 2018-12, including the related methodologies, models and assumptions used for determining fair value.
- With the involvement of our valuation and actuarial specialists, we:
  - evaluated the results of underlying experience studies, capital market projections, and judgments applied by management in setting the principal assumptions
  - developed an independent estimate, on a sample basis, of the market risk benefits and evaluated differences.

/s/ DELOITTE & TOUCHE LLP  
New York, New York  
February 15, 2024

We have served as the Company’s auditor since at least 1968; however, an earlier year could not be reliably determined.

MetLife, Inc.

Consolidated Balance Sheets  
December 31, 2023 and 2022

(In millions, except share and per share data)

	2023	2022
<b>Assets</b>		
Investments:		
Fixed maturity securities available-for-sale, at estimated fair value (net of allowance for credit loss of \$184 and \$183, respectively); and amortized cost: \$300,555 and \$306,025, respectively	\$ 281,412	\$ 276,780
Equity securities, at estimated fair value	757	1,684
Contractholder-directed equity securities and fair value option securities, at estimated fair value	10,331	9,668
Mortgage loans (net of allowance for credit loss of \$721 and \$527, respectively)	92,506	83,763
Policy loans	8,788	8,874
Real estate and real estate joint ventures (includes \$317 and \$299, respectively, under the fair value option)	13,332	13,137
Other limited partnership interests	14,764	14,414
Short-term investments, principally at estimated fair value	6,045	4,935
Other invested assets (net of allowance for credit loss of \$23 and \$26, respectively; includes \$1,993 and \$1,926, respectively, of leveraged and direct financing leases; \$333 and \$326, respectively, relating to variable interest entities)	18,202	20,038
Total investments	446,137	433,293
Cash and cash equivalents, principally at estimated fair value	20,639	20,195
Accrued investment income	3,589	3,446
Premiums, reinsurance and other receivables	28,971	17,364
Market risk benefits, at estimated fair value	286	280
Deferred policy acquisition costs and value of business acquired	20,151	19,653
Current income tax recoverable	190	42
Deferred income tax asset	2,612	2,439
Goodwill	9,236	9,297
Other assets	11,139	11,025
Separate account assets	144,634	146,038
Total assets	<u>\$ 687,584</u>	<u>\$ 663,072</u>
<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
Future policy benefits	\$ 196,406	\$ 187,222
Policyholder account balances	219,269	210,597
Market risk benefits, at estimated fair value	3,179	3,763
Other policy-related balances	19,736	18,424
Policyholder dividends payable	386	387
Payables for collateral under securities loaned and other transactions	17,524	20,937
Short-term debt	119	175
Long-term debt	15,548	14,647
Collateral financing arrangement	637	716
Junior subordinated debt securities	3,161	3,158
Deferred income tax liability	927	950
Other liabilities	35,805	25,933
Separate account liabilities	144,634	146,038
Total liabilities	<u>657,331</u>	<u>632,947</u>
<b>Contingencies, Commitments and Guarantees (Note 24)</b>		
<b>Equity</b>		
MetLife, Inc.'s stockholders' equity:		
Preferred stock, par value \$0.01 per share; \$3,905 aggregate liquidation preference	—	—
Common stock, par value \$0.01 per share; 3,000,000,000 shares authorized; 1,191,823,651 and 1,189,831,471 shares issued, respectively; 730,821,111 and 779,098,414 shares outstanding, respectively	12	12
Additional paid-in capital	33,690	33,616
Retained earnings	40,146	40,332
Treasury stock, at cost; 461,002,540 and 410,733,057 shares, respectively	(24,591)	(21,458)
Accumulated other comprehensive income (loss)	(19,242)	(22,621)
Total MetLife, Inc.'s stockholders' equity	<u>30,015</u>	<u>29,881</u>
Noncontrolling interests	238	244
Total equity	<u>30,253</u>	<u>30,125</u>
Total liabilities and equity	<u>\$ 687,584</u>	<u>\$ 663,072</u>

See accompanying notes to the consolidated financial statements.

**MetLife, Inc.**  
**Consolidated Statements of Operations**  
**Years Ended December 31, 2023, 2022 and 2021**  
(In millions, except per share data)

	2023	2022	2021
<b>Revenues</b>			
Premiums	\$ 44,283	\$ 48,510	\$ 41,152
Universal life and investment-type product policy fees	5,152	5,225	5,244
Net investment income	19,908	15,916	21,395
Other revenues	2,526	2,630	2,619
Net investment gains (losses)	(2,824)	(1,260)	1,543
Net derivative gains (losses)	(2,140)	(2,251)	(3,257)
Total revenues	<u>66,905</u>	<u>68,770</u>	<u>68,696</u>
<b>Expenses</b>			
Policyholder benefits and claims	44,590	49,507	43,118
Policyholder liability remeasurement (gains) losses	(45)	114	(172)
Market risk benefit remeasurement (gains) losses	(994)	(3,674)	(1,237)
Interest credited to policyholder account balances	7,860	3,894	5,571
Policyholder dividends	622	706	880
Other expenses	12,710	11,859	12,018
Total expenses	<u>64,743</u>	<u>62,406</u>	<u>60,178</u>
Income (loss) before provision for income tax	2,162	6,364	8,518
Provision for income tax expense (benefit)	560	1,062	1,642
Net income (loss)	<u>1,602</u>	<u>5,302</u>	<u>6,876</u>
Less: Net income (loss) attributable to noncontrolling interests	24	18	21
Net income (loss) attributable to MetLife, Inc.	1,578	5,284	6,855
Less: Preferred stock dividends	198	185	195
Preferred stock redemption premium	—	—	6
Net income (loss) available to MetLife, Inc.'s common shareholders	<u>\$ 1,380</u>	<u>\$ 5,099</u>	<u>\$ 6,654</u>
Net income (loss) available to MetLife, Inc.'s common shareholders per common share:			
Basic	<u>\$ 1.82</u>	<u>\$ 6.35</u>	<u>\$ 7.71</u>
Diluted	<u>\$ 1.81</u>	<u>\$ 6.30</u>	<u>\$ 7.65</u>

**See accompanying notes to the consolidated financial statements.**

**MetLife, Inc.**
**Consolidated Statements of Comprehensive Income (Loss)  
Years Ended December 31, 2023, 2022 and 2021**
**(In millions)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Net income (loss)	\$ 1,602	\$ 5,302	\$ 6,876
Other comprehensive income (loss):			
Unrealized investment gains (losses), net of related offsets	10,325	(56,497)	(12,840)
Deferred gains (losses) on derivatives	(1,811)	(85)	137
Future policy benefits discount rate remeasurement gains (losses)	(4,361)	31,804	10,102
Market risk benefit instrument-specific credit risk remeasurement gains (losses)	(102)	(219)	257
Foreign currency translation adjustments	296	(1,238)	(1,266)
Defined benefit plans adjustment	(88)	279	328
Other comprehensive income (loss), before income tax	4,259	(25,956)	(3,282)
Income tax (expense) benefit related to items of other comprehensive income (loss)	(898)	5,779	519
Other comprehensive income (loss), net of income tax	3,361	(20,177)	(2,763)
Comprehensive income (loss)	4,963	(14,875)	4,113
Less: Comprehensive income (loss) attributable to noncontrolling interest, net of income tax	6	11	24
Comprehensive income (loss) attributable to MetLife, Inc.	<u>\$ 4,957</u>	<u>\$ (14,886)</u>	<u>\$ 4,089</u>

**See accompanying notes to the consolidated financial statements.**

**MetLife, Inc.**  
**Consolidated Statements of Equity**  
**Years Ended December 31, 2023, 2022 and 2021**

(In millions)

	Preferred Stock	Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock at Cost	Accumulated Other Comprehensive Income (Loss)	Total MetLife, Inc.'s Stockholders' Equity	Noncontrolling Interests	Total Equity
Balance at December 31, 2020	\$ —	\$ 12	\$ 33,812	\$ 36,491	\$ (13,829)	\$ 18,072	\$ 74,558	\$ 259	\$ 74,817
Cumulative effects of changes in accounting principles, net of income tax				(4,667)		(17,757)	(22,424)		(22,424)
Redemption of preferred stock			(494)				(494)		(494)
Preferred stock redemption premium				(6)			(6)		(6)
Treasury stock acquired in connection with share repurchases					(4,328)		(4,328)		(4,328)
Stock-based compensation			193				193		193
Dividends on preferred stock				(195)			(195)		(195)
Dividends on common stock (declared per share of \$1.900)				(1,647)			(1,647)		(1,647)
Change in equity of noncontrolling interests								(16)	(16)
Net income (loss)				6,855			6,855	21	6,876
Other comprehensive income (loss), net of income tax						(2,766)	(2,766)	3	(2,763)
Balance at December 31, 2021	—	12	33,511	36,831	(18,157)	(2,451)	49,746	267	50,013
Treasury stock acquired in connection with share repurchases					(3,301)		(3,301)		(3,301)
Stock-based compensation			105				105		105
Dividends on preferred stock				(185)			(185)		(185)
Dividends on common stock (declared per share of \$1.980)				(1,598)			(1,598)		(1,598)
Change in equity of noncontrolling interests								(34)	(34)
Net income (loss)				5,284			5,284	18	5,302
Other comprehensive income (loss), net of income tax						(20,170)	(20,170)	(7)	(20,177)
Balance at December 31, 2022	—	12	33,616	40,332	(21,458)	(22,621)	29,881	244	30,125
Treasury stock acquired in connection with share repurchases (includes \$30 million of excise tax)					(3,133)		(3,133)		(3,133)
Stock-based compensation			74				74		74
Dividends on preferred stock				(198)			(198)		(198)
Dividends on common stock (declared per share of \$2.060)				(1,566)			(1,566)		(1,566)
Change in equity of noncontrolling interests								(12)	(12)
Net income (loss)				1,578			1,578	24	1,602
Other comprehensive income (loss), net of income tax						3,379	3,379	(18)	3,361
Balance at December 31, 2023	\$ —	\$ 12	\$ 33,690	\$ 40,146	\$ (24,591)	\$ (19,242)	\$ 30,015	\$ 238	\$ 30,253

**See accompanying notes to the consolidated financial statements.**



**MetLife, Inc.**  
**Consolidated Statements of Cash Flows**  
**Years Ended December 31, 2023, 2022 and 2021**  
**(In millions)**

	2023	2022	2021
<b>Cash flows from operating activities</b>			
Net income (loss)	\$ 1,602	\$ 5,302	\$ 6,876
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization expenses	718	673	694
Amortization of premiums and accretion of discounts associated with investments, net	(1,332)	(992)	(874)
(Gains) losses on investments and from sales of businesses, net	2,800	1,260	(1,543)
(Gains) losses on derivatives, net	3,259	4,150	4,676
(Income) loss from equity method investments, net of dividends or distributions	1,090	505	(3,051)
Interest credited to policyholder account balances	7,970	3,771	5,628
Universal life and investment-type product policy fees	(4,031)	(3,969)	(3,663)
Change in contractholder-directed equity securities and fair value option securities	(539)	1,671	(231)
Change in accrued investment income	(194)	(357)	(11)
Change in premiums, reinsurance and other receivables	(1,952)	299	362
Change in market risk benefits	(658)	(3,347)	(839)
Change in deferred policy acquisition costs and value of business acquired, net	(660)	(800)	(708)
Change in income tax	(1,177)	198	856
Change in other assets	(124)	138	(1,008)
Change in insurance-related liabilities and policy-related balances	4,637	3,937	5,002
Change in other liabilities	2,115	360	68
Other, net	197	245	113
Net cash provided by (used in) operating activities	<u>13,721</u>	<u>13,044</u>	<u>12,347</u>
<b>Cash flows from investing activities</b>			
Sales, maturities and repayments of:			
Fixed maturity securities available-for-sale	58,816	88,937	88,839
Equity securities	1,018	873	708
Mortgage loans	8,505	10,779	19,183
Real estate and real estate joint ventures	143	1,096	1,285
Other limited partnership interests	915	1,615	777
Short-term investments	13,117	14,094	20,871
Purchases and originations of:			
Fixed maturity securities available-for-sale	(63,460)	(82,956)	(97,368)
Equity securities	(73)	(1,368)	(451)
Mortgage loans	(8,795)	(16,403)	(14,961)
Real estate and real estate joint ventures	(1,057)	(1,208)	(1,375)
Other limited partnership interests	(1,670)	(2,674)	(3,227)
Short-term investments	(14,000)	(11,741)	(24,148)
Cash received in connection with freestanding derivatives	3,145	4,524	3,453
Cash paid in connection with freestanding derivatives	(5,662)	(7,793)	(7,990)
Sales of businesses, net of cash and cash equivalents disposed of \$0, \$67 and \$611, respectively	—	590	3,270
Purchases of investments in operating joint ventures	—	(240)	—
Net change in policy loans	34	104	228
Net change in other invested assets	(1,079)	(786)	(235)
Other, net	(143)	(63)	(46)
Net cash provided by (used in) investing activities	<u>\$ (10,246)</u>	<u>\$ (2,620)</u>	<u>\$ (11,187)</u>

**See accompanying notes to the consolidated financial statements.**

MetLife, Inc.

Consolidated Statements of Cash Flows — (continued)

Years Ended December 31, 2023, 2022 and 2021

(In millions)

	2023	2022	2021
<b>Cash flows from financing activities</b>			
Policyholder account balances - deposits	\$ 95,587	\$ 103,901	\$ 97,206
Policyholder account balances - withdrawals	(90,876)	(98,591)	(93,130)
Payables for collateral under securities loaned and other transactions:			
Net change in payables for collateral under securities loaned and other transactions	(3,283)	(10,730)	1,883
Cash paid for other transactions with tenors greater than three months	—	—	(100)
Long-term debt issued	1,989	1,013	29
Long-term debt repaid	(1,035)	(85)	(582)
Collateral financing arrangement repaid	(79)	(50)	(79)
Derivatives with certain financing elements and other derivative related transaction, net	(74)	(61)	270
Proceeds from mortgage loan secured financing	682	—	—
Repayments of mortgage loan secured financing	(845)	—	—
Treasury stock acquired in connection with share repurchases	(3,103)	(3,326)	(4,303)
Redemption of preferred stock	—	—	(494)
Preferred stock redemption premium	—	—	(6)
Dividends on preferred stock	(198)	(185)	(195)
Dividends on common stock	(1,566)	(1,598)	(1,647)
Other, net	(139)	(236)	22
Net cash provided by (used in) financing activities	<u>(2,940)</u>	<u>(9,948)</u>	<u>(1,126)</u>
Effect of change in foreign currency exchange rates on cash and cash equivalents balances	(91)	(397)	(478)
Change in cash and cash equivalents	444	79	(444)
Cash and cash equivalents, including subsidiaries held-for-sale, beginning of year	20,195	20,116	20,560
<b>Cash and cash equivalents, including subsidiaries held-for-sale, end of year</b>	<u>\$ 20,639</u>	<u>\$ 20,195</u>	<u>\$ 20,116</u>
Cash and cash equivalents, subsidiaries held-for-sale, beginning of year	\$ —	\$ 69	\$ 765
<b>Cash and cash equivalents, subsidiaries held-for-sale, end of year</b>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 69</u>
Cash and cash equivalents, beginning of year	\$ 20,195	\$ 20,047	\$ 19,795
<b>Cash and cash equivalents, end of year</b>	<u>\$ 20,639</u>	<u>\$ 20,195</u>	<u>\$ 20,047</u>
<b>Supplemental disclosures of cash flow information</b>			
Net cash paid (received) for:			
Interest	\$ 989	\$ 905	\$ 914
Income tax	\$ 1,833	\$ 1,056	\$ 1,102
Non-cash transactions:			
Fixed maturity securities available-for-sale disposed of in connection with a reinsurance transaction	\$ 8,984	\$ —	\$ —
Fixed maturity securities available-for-sale received in connection with pension risk transfer transactions	\$ 2,749	\$ 8,707	\$ 423
Mortgage loans disposed of in connection with a reinsurance transaction	\$ 196	\$ —	\$ —
Equity securities received due to in-kind distributions from other limited partnership interests	\$ 77	\$ 96	\$ 380
Real estate and real estate joint ventures acquired in satisfaction of debt	\$ 32	\$ 495	\$ 174
Other invested assets reclassified to contractholder-directed equity securities and fair value option securities	\$ —	\$ —	\$ 309

See accompanying notes to the consolidated financial statements.

**MetLife, Inc.****Notes to the Consolidated Financial Statements****1. Business, Basis of Presentation and Summary of Significant Accounting Policies****Business**

“MetLife” and the “Company” refer to MetLife, Inc., a Delaware corporation incorporated in 1999, its subsidiaries and affiliates. MetLife is one of the world’s leading financial services companies, providing insurance, annuities, employee benefits and asset management. In the fourth quarter of 2023, MetLife reorganized from five segments into the following six segments to reflect changes in management’s responsibilities: Group Benefits; Retirement and Income Solutions (“RIS”); Asia; Latin America; Europe, the Middle East and Africa (“EMEA”) and MetLife Holdings. The Group Benefits and RIS businesses were previously reported as the U.S. segment. In addition, the Company continues to report certain of its results of operations in Corporate & Other. See Note 2 for further information on the Company’s segments and Corporate & Other.

***Basis of Presentation***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to adopt accounting policies and make estimates and assumptions that affect amounts reported on the consolidated financial statements. In applying these policies and estimates, management makes subjective and complex judgments that frequently require assumptions about matters that are inherently uncertain. Many of these policies, estimates and related judgments are common in the insurance and financial services industries; others are specific to the Company’s business and operations. Actual results could differ from these estimates.

***Adoption of ASU 2018-12 - Targeted Improvements to the Accounting for Long-Duration Contracts***

Effective January 1, 2023, the Company adopted Accounting Standards Update (“ASU”) 2018-12, *Financial Services—Insurance (Topic 944): Targeted Improvements to the Accounting for Long-Duration Contracts*, as amended by ASU 2019-09, *Financial Services—Insurance (Topic 944): Effective Date*; ASU 2020-11, *Financial Services—Insurance (Topic 944): Effective Date and Early Application*; and ASU 2022-05, *Financial Services—Insurance (Topic 944): Transition for Sold Contracts* (“LDTI”), with a transition date of January 1, 2021 (the “Transition Date”). Adoption of LDTI impacted the Company’s accounting and presentation related to long-duration insurance contracts and certain related balances for the years ended December 31, 2022 and 2021. Amounts within these consolidated financial statements which were previously presented, have been revised to conform with the current year accounting and presentation under LDTI. Disclosures as of the Transition Date are reflected in summary within “— Recent Accounting Pronouncements — Adoption of ASU 2018-12 - Targeted Improvements to the Accounting for Long-Duration Contracts,” and in further detail (at the disaggregated level) within Notes 4, 5, 6 and 8.

***Consolidation***

The accompanying consolidated financial statements include the accounts of MetLife, Inc. and its subsidiaries, as well as partnerships and joint ventures in which the Company has a controlling financial interest, and variable interest entities (“VIEs”) for which the Company is the primary beneficiary. Intercompany accounts and transactions have been eliminated.

The Company uses the equity method of accounting, unless the fair value option (“FVO”) is applied for real estate joint ventures and other limited partnership interests (“investee”) when it has more than a minor ownership interest or more than a minor influence over the investee’s operations. The Company generally recognizes its share of the investee’s earnings in net investment income on a three-month lag in instances where the investee’s financial information is not sufficiently timely or when the investee’s reporting period differs from the Company’s reporting period.

***Held-for-Sale***

The Company classifies a business as held-for-sale when management has approved or received approval to sell the business, the sale is probable to occur during the next 12 months at a price that is reasonable in relation to its current estimated fair value and certain other specified criteria are met. The business classified as held-for-sale is recorded at the lower of the carrying value and estimated fair value, less cost to sell. If the carrying value of the business exceeds its estimated fair value, less cost to sell, a loss is recognized and reported in net investment gains (losses). Assets and liabilities related to the business classified as held-for-sale are separately reported in the Company’s consolidated balance sheets in the period in which the business first meets all the criteria to be classified as held-for-sale and in each reporting period thereafter until sold. See Note 3. If a component of the Company has either been disposed of or is classified as held-

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

for-sale and represents a strategic shift that has or will have a major effect on the Company's operations and financial results, the results of the component are reported in discontinued operations.

**Separate Accounts**

Separate accounts are established in conformity with insurance laws. Generally, the assets of the separate accounts cannot be used to settle the liabilities that arise from any other business of the Company. Separate account assets are subject to general account claims only to the extent the value of such assets exceeds the separate account liabilities. The Company reports separately, as separate account assets and liabilities, investments held in separate accounts and corresponding policyholder liabilities of the same amount if all of the following criteria are met:

- such separate accounts are legally recognized;
- assets supporting the contract liabilities are legally insulated from the Company's general account liabilities;
- investment objectives are directed by the contractholder; and
- all investment performance, net of contract fees and assessments, is passed through to the contractholder.

The Company reports separate account assets at their fair value which is based on the estimated fair values of the underlying assets comprising the individual separate account portfolios. Investment performance (including investment income, net investment gains (losses) and changes in unrealized gains (losses)) and the corresponding amounts credited to contractholders of such separate accounts are offset within the same line on the statements of operations. Separate accounts credited with a contractual investment return are not reported as separate account assets and liabilities and are combined on a line-by-line basis with the Company's general account assets, liabilities, revenues and expenses and the accounting for these investments is consistent with the methodologies described herein for similar financial instruments held within the general account. Unit-linked separate account investments that are directed by contractholders but do not meet one or more of the other above criteria are included in contractholder-directed equity securities with the corresponding liability included in policyholder account balances ("PABs") on the balance sheets. Investment performance is reported within net investment income and a corresponding amount reported as interest credited to PABs in the statements of operations.

The Company's revenues reflect fees charged to the separate accounts, including mortality charges, risk charges, policy administration fees, investment management fees and surrender charges. Such fees are included in universal life and investment-type product policy fees on the statements of operations.

**Revisions**

The Company originates mortgage loans and in certain cases transfers proportional rights to cash flows of mortgage loans to third parties. These transactions were previously accounted for by the Company as sales of portions of the related mortgage loans. During the second quarter of 2023, management determined that certain of these pre-existing transactions did not meet the criteria for sale accounting and recorded an adjustment to reflect those transfers as secured borrowings. This adjustment did not result in changes to the Company's economic exposure or key financial reporting metrics. Based on management's assessment of both quantitative and qualitative factors, the error correction was not material to the Company's current period or prior period financial statements and prior periods have not been revised.

**Summary of Significant Accounting Policies**

The following table presents the Company's significant accounting policies with cross-references to the notes which provide additional information on such policies.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

<b>Accounting Policy</b>	<b>Note</b>
Future Policy Benefit Liabilities	4
Policyholder Account Balances	5
Market Risk Benefits	6
Deferred Policy Acquisition Costs, Value of Business Acquired, Unearned Revenue and Other Intangibles	8
Reinsurance	9
Investments	11
Derivatives	12
Fair Value	13
Goodwill	15
Employee Benefit Plans	21
Income Tax	22
Litigation Contingencies	24

***Future Policy Benefit Liabilities***

*Traditional Non-participating and Limited-payment Long-duration products*

The Company establishes future policy benefit liabilities (“FPBs”) for amounts payable under traditional non-participating and limited-payment long-duration insurance and reinsurance policies which include, but are not limited to most whole and term life & endowment products, accident & health, fixed annuities, pension risk transfers, structured settlements, institutional income annuities and long-term care products. Generally, amounts are payable over an extended period of time and the related liabilities are calculated as the present value of future expected benefits and claim settlement expenses to be paid, reduced by the present value of future expected net premiums.

FPBs are measured as cohorts (e.g., groups of long-duration contracts), with the exception of pension risk transfers and longevity reinsurance solutions contracts, each of which is generally considered its own cohort. Contracts from different subsidiaries or branches, issue years, benefit currencies and product types are not grouped together in the same cohort.

Such liabilities are established based on methods and underlying assumptions in accordance with GAAP and applicable actuarial standards. A net premium ratio (“NPR”) approach is utilized, where net premiums (i.e., the portion of gross premiums required to fund expected insurance benefits and claim settlement expenses) are accrued each period as FPBs. The NPR used to accrue the FPB in each period is determined by using the historical and present value of expected future benefits and claim settlement expenses for the cohort divided by the historical and present value of expected future gross premiums for the cohort.

Cash flow assumptions are incorporated into the calculation of a cohort's NPR and FPB reserve. These assumptions are used to project the amount and timing of expected benefits and claim settlement expenses to be paid and the expected amount of premiums to be collected for a cohort. The principal inputs and assumptions used in the establishment of FPBs are actual premiums, actual benefits, in-force policies, and best estimate cash flow assumptions to project future premium and benefit amounts. The Company’s primary best estimate cash flow assumptions include expectations related to mortality, morbidity, termination, claim settlement expense, policy lapse, renewal, retirement, disability incidence, disability terminations, inflation and other contingent events as appropriate to the respective product type and geographical area. Generally, the NPR and FPB reserve are updated retrospectively on a quarterly basis for actual experience and at least once a year for any changes in future cash flow assumptions, except for claim settlement expenses, for which the Company has elected to lock in assumptions at the Transition Date or inception (for contracts sold after the Transition Date), as allowed by LDTI. The resulting remeasurement (gain) loss is recorded through net income and reflects the impact of the change in the NPR based on experience at the end of the quarter applied to the cumulative premiums received from the inception of the cohort (or from the Transition Date for contracts issued prior to the Transition Date) to the beginning of the quarter. The total contractual profit pattern is recognized over the expected life of the cohort by retrospectively updating the NPR. If net premiums exceed gross premiums (i.e., expected benefits

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

exceed expected gross premiums), the FPB is increased, and a corresponding adjustment is recognized immediately in net income.

The change in FPB reflected in the statement of operations is calculated using a locked-in discount rate. For products issued prior to the Transition Date, a cohort level locked-in discount rate was developed that reflected the interest accretion rates that were locked in at inception of the underlying contracts (unless there was a historical premium deficiency event that resulted in updating the interest accretion rate prior to the Transition Date), or the acquisition date for contracts acquired through an assumed in-force reinsurance transaction or a business combination. For contracts issued subsequent to the Transition Date, the upper-medium grade discount rate used for interest accretion is locked-in for the cohort and represents the original upper-medium grade discount rate at the issue date of the underlying contracts. The FPB for all cohorts is remeasured to a current upper-medium grade discount rate at each reporting date through other comprehensive income (loss) (“OCI”).

The Company generally interprets the upper-medium grade discount rate to be a rate comparable to that of a corporate single A rate that reflects the duration characteristics of the liability. The upper-medium grade discount rate is determined by using observable market data, including published upper-medium grade discount curves. In situations where market data for an upper-medium grade discount curve is not available (e.g., in certain foreign jurisdictions), spreads are applied to adjust the available observable market data to an upper-medium grade discount curve. The last liquid point on the upper-medium grade discount curve for each jurisdiction grades to an ultimate forward rate, which is derived using assumptions of economic growth, inflation, and a long-term upper-medium grade spread.

The table below summarizes the market data and spreads applied to determine the upper-medium grade discount rate for products issued in key jurisdictions that are included in the disaggregated rollforwards in Note 4.

<b>Disaggregated rollforwards</b>	<b>Jurisdiction</b>	<b>Observable base curve</b>	<b>Spread applied to derive upper-medium grade discount rate</b>
RIS Annuities, MetLife Holdings Long-term Care	United States	Single A curve	No spread applied as there is an observable single A base discount curve.
Asia - Whole and Term Life & Endowments, Asia - Accident & Health	Japan	Japanese government bond yield	A spread is applied based on local corporate bonds whose credit is deemed to approximate single A bonds. The spread is based on weighted average bond yields up to 10 years and held flat for years 10 to 30.
	Korea	Korean government bond yield	A spread is applied based on local corporate bonds whose credit is deemed to approximate single A bonds. The spread is based on weighted average bond yields up to five years and held flat for years five to 30.
Latin America Fixed Annuities	Chile	Chilean government bond yield	A blended spread is applied based on local corporate bonds whose credit is deemed to approximate single A bonds. The spread is based on weighted average bond yields up to 10 years and held flat for years 10 to 25.
	Mexico	Mexican government bond yield	There are few public corporate bonds denominated in Mexican pesos with a credit rating higher than sovereign bonds. Therefore a spread is applied based on local corporate bond yields to approximate a single A equivalent bond.

For limited-payment long-duration contracts, the collection of premiums does not represent the completion of the earnings process, therefore, any gross premiums received in excess of net premiums is deferred and amortized as a deferred profit liability (“DPL”). The DPL is presented within FPBs and is amortized in proportion to either the present value of expected benefit payments or insurance in-force of each cohort to ensure that profits are recognized over the life of the underlying policies in that cohort, regardless of when premiums are received. This amortization of the DPL is

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

recorded through net income within policyholder benefits and claims. Consistent with the Company's measurement of traditional long-duration products, management also recognizes a FPB reserve for limited-payment contracts that is representative of the difference between the present value of expected future benefits and the present value of expected future net premiums, subject to retrospective remeasurement through net income and OCI, as described above. The DPL is also subject to retrospective remeasurement through net income, however, it is not remeasured for changes in discount rates.

When a cohort's present value of future net premiums exceeds the present value of future benefits, a "flooring" adjustment is required. The flooring adjustment ensures that the liability for future policy benefits for each cohort is not less than zero, and is reported in net income or OCI, depending on whether the flooring relates to the FPB discounted at the locked-in discount rate versus the current upper-medium grade discount rate, respectively.

*Traditional Participating Products*

The Company establishes FPBs for traditional participating contracts in the U.S., which include whole and term life participating contracts in both the open and closed block using a net premium approach, similar to traditional non-participating contracts. However, for participating contracts, the discount rate and actuarial assumptions are locked-in at inception, include a provision for adverse deviation, and all changes in the associated FPBs are reported within policyholder benefits and claims. See Note 10 for additional information on the closed block. For traditional participating contracts, the Company reviews its estimates of actuarial liabilities for future benefits and compares them with current best estimate assumptions. The Company revises estimates, to increase FPBs, if the Company determines that the liabilities previously established for future benefit payments less future expected net premiums in the aggregate for this line of business prove inadequate.

*Additional Insurance Liabilities*

Liabilities for universal, variable universal, and variable life policies with secondary guarantees ("ULSG") and paid-up guarantees are determined by estimating the expected value of death benefits payable when the account balance is projected to be zero and recognizing those benefits ratably over the life of the contract based on total expected assessments. The additional insurance liabilities are updated retrospectively on a quarterly basis for actual experience and at least once a year for any changes in future cash flow assumptions. The assumptions used in estimating the secondary and paid-up guarantee liabilities are investment income, mortality, lapse, and premium payment pattern and persistency. The assumptions of investment performance and volatility for variable products are consistent with historical experience of appropriate underlying equity indices, such as the S&P Global Ratings ("S&P") 500 Index. The benefits used in calculating the liabilities are based on the average benefits payable over a range of scenarios.

The resulting adjustments are recorded as policyholder liability remeasurement (gains) losses in the statement of operations reflecting the impact on the change in the ratio of benefits payable to total assessments over the life of the contract based on experience at the end of the quarter applied to the cumulative assessments received as of the beginning of the quarter.

For annuitization benefits, future benefits expected to be paid during the annuitization phase are discounted using an upper-medium grade discount rate to determine the excess benefit upon annuitization. The discount rate is not locked in for expected annuitization benefits, and is required to be updated quarterly, consistent with other components of the annuitization benefit cash flows. Changes in the discount rate applied to the future annuitization payments are reflected in policyholder benefits and claims within the statement of operations.

*Premium Deficiency Reserves*

Premium deficiency reserves may be established for short-duration contracts to provide for expected future losses and certain expenses that exceed unearned premiums. These reserves are based on actuarial estimates of the amount of loss inherent in that period, including losses incurred for which claims have not been reported. The provisions for unreported claims are calculated using studies that measure the historical length of time between the incurred date of a claim and its eventual reporting to the Company. For universal life-type and certain participating contracts, a premium deficiency reserve may be established when existing contract liabilities, together with the present value of future fees and/or premiums, are not sufficient to cover the present value of future benefits and settlement costs. Anticipated investment income is also considered in the calculations of premium deficiency reserves for short-duration contracts, as well as universal life-type and certain participating contracts.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)****Policyholder Account Balances**

PABs represent the amount held by the Company on behalf of the policyholder at each reporting date. This amount includes deposits received from the policyholder, interest credited to the policyholder's account balance, net of charges assessed against the account balance and any policyholder withdrawals. This balance also includes liabilities for structured settlement and institutional income annuities, and certain other contracts, that do not contain significant insurance risk, as well as the estimated fair value of embedded derivatives associated with indexed annuity products.

**Market Risk Benefits**

As defined by LDTI, market risk benefits ("MRBs") are contracts or contract features that guarantee benefits, such as guaranteed minimum benefits, in addition to an account balance, which expose insurance companies to other than nominal capital market risk (e.g., equity price, interest rate, and/or foreign currency exchange risk) and subsequently protect the contractholder from the same risk. These contracts and contract features were generally recorded as embedded derivatives or additional insurance liabilities prior to the Transition Date. Certain contracts may have multiple contract features or guarantees. In these cases, each feature is separately evaluated to determine whether it meets the definition of an MRB at contract inception. If a contract includes multiple benefits that meet the definition of an MRB, those benefits are aggregated and measured as a single compound MRB.

All identified MRBs are required to be measured at estimated fair value, whether the contract or contract feature represents a direct, assumed or ceded capital market risk. All MRBs in an asset position are aggregated and presented as an asset, and all MRBs in a liability position are aggregated and presented as a liability. Changes in the estimated fair value of MRBs are recognized in net income, except for the portion of the fair value change attributable to the change in nonperformance risk of the Company which is recorded as a separate component of OCI.

The Company generally uses an attributed fee approach to value MRBs, where the attributed fee is determined at contract inception by estimating the fair value of expected future benefits and the expected future fees. The attributed fee percentage is the portion of the expected future fees due from contractholders deemed necessary at contract inception to fund all future expected benefits. This typically results in a zero fair value for the MRB at inception. The estimated fair value of the expected future benefits is estimated using a stochastically-generated set of risk-neutral scenarios. Once calculated, the attributed fee percentage is fixed and does not change over the life of the contract. All fees due from contractholders (or payable to reinsurers in the case of ceded MRBs) in excess of the attributed fees are reported in universal life and investment-type product policy fees.

**Other Policy-Related Balances**

Other policy-related balances include policy and contract claims, premiums received in advance, unearned revenue ("UREV") liabilities, obligations assumed under structured settlement assignments, policyholder dividends due and unpaid, policyholder dividends left on deposit and negative value of business acquired ("VOBA").

The liability for policy and contract claims generally relates to incurred but not reported ("IBNR") death, disability, dental and vision claims. In addition, generally included in other policy-related balances are claims which have been reported but not yet settled for death, disability, dental and vision. The liability for these claims is based on the Company's estimated ultimate cost of settling all claims. The Company derives estimates for the development of IBNR claims principally from analyses of historical patterns of claims by business line. The methods used to determine these estimates are continually reviewed. Adjustments resulting from this continuous review process and differences between estimates and payments for claims are recognized in policyholder benefits and claims expense in the period in which the estimates are changed or payments are made.

The Company accounts for the prepayment of premiums on its individual life, group life and health contracts as premiums received in advance. These amounts are then recognized in premiums when due.

The UREV liability relates to universal life and investment-type products and represents policy charges for services to be provided in future periods. The charges are deferred as UREV and amortized on a basis consistent with the methodologies and assumptions used for amortizing deferred policy acquisition costs ("DAC") for the related contracts. Changes in the UREV liability for each period (representing deferrals less amortization) are reported in universal life and investment-type product policy fees.



**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

See “— Deferred Policy Acquisition Costs, Value of Business Acquired and Other Intangibles” for a discussion of negative VOBA.

***Recognition of Insurance Revenues and Deposits***

Premiums related to long-duration whole and term life & endowment products, individual accident & health, disability, individual and group fixed annuities (including pension risk transfers, certain structured settlements, and certain income annuities), long-term care and participating products are recognized as revenues when due from policyholders. Policyholder benefits and expenses are provided to recognize profits over the estimated lives of the insurance policies. When premiums are due over a significantly shorter period than the period over which benefits are provided, any excess profit is deferred as a DPL and recognized into earnings in a constant relationship to insurance in-force or, for annuities, the present value of expected future policy benefit payments.

Premiums related to short-duration group term life, dental, disability, accident & health, vision and credit insurance contracts are recognized on a pro rata basis over the applicable contract term. Unearned premiums, representing the portion of premium written related to the unexpired coverage, are reflected as liabilities until earned.

Deposits related to universal life and investment-type products are credited to PABs. Revenues from such contracts consist of fees for mortality, policy administration and surrender charges and are recorded in universal life and investment-type product policy fees in the period in which services are provided. All fees due from contractholders (or payable to reinsurers in the case of ceded MRBs) in excess of the attributed fees on contracts with MRBs are reported in universal life and investment-type product policy fees. Amounts that are charged to earnings include interest credited and benefit claims incurred in excess of related PABs.

All revenues and expenses are presented net of reinsurance, as applicable.

***Deferred Policy Acquisition Costs, Value of Business Acquired and Other Intangibles***

The Company incurs significant costs in connection with acquiring new and renewal insurance business. Costs that are related directly to the successful acquisition or renewal of insurance contracts are capitalized as DAC. Such costs include:

- incremental direct costs of contract acquisition, such as commissions;
- the portion of an employee’s total compensation and benefits related to time spent selling, underwriting or processing the issuance of new and renewal insurance business only with respect to actual policies acquired or renewed;
- other essential direct costs that would not have been incurred had a policy not been acquired or renewed; and
- the costs of direct-response advertising, the primary purpose of which is to elicit sales to customers who could be shown to have responded specifically to the advertising and that results in probable future benefits.

All other acquisition-related costs, including those related to general advertising and solicitation, market research, agent training, product development, unsuccessful sales and underwriting efforts, as well as all indirect costs, are expensed as incurred.

VOBA is an intangible asset resulting from a business combination that represents the excess of book value over the estimated fair value of acquired insurance, annuity, and investment-type contracts in-force at the acquisition date. The estimated fair value of the acquired liabilities is based on projections, by each block of business, of future policy and contract charges, premiums, mortality and morbidity, separate account performance, surrenders, operating expenses, investment returns, nonperformance risk adjustment and other factors. Actual experience with the purchased business may vary from these projections. VOBA is subject to periodic recoverability testing for traditional life and limited-payment contracts, as well as universal life type contracts.

DAC and VOBA for most long-duration products are amortized on a constant-level basis that approximates straight-line amortization on an individual contract basis. The DAC and VOBA related to RIS annuities are amortized over expected benefit payments, and for all other long-duration products are generally amortized in proportion to policy count. For short-duration products, DAC and VOBA are amortized in proportion to actual and expected future earned premiums.

DAC and VOBA are aggregated on the financial statements for reporting purposes. Amortization of DAC and VOBA is included in other expenses.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

The Company generally has two different types of sales inducements which are included in other assets: (i) the policyholder receives a bonus whereby the policyholder's initial account balance is increased by an amount equal to a specified percentage of the customer's deposit; and (ii) the policyholder receives a higher interest rate using a dollar cost averaging method than would have been received based on the normal general account interest rate credited. The Company defers sales inducements and amortizes them over the life of the policy using the same methodologies and assumptions used to amortize DAC for the related contracts. The amortization of deferred sales inducements ("DSI") is included in policyholder benefits and claims. DSI assets were \$146 million and \$133 million at December 31, 2023 and 2022, respectively.

Value of distribution agreements acquired ("VODA") is reported in other assets and represents the present value of expected future profits associated with the expected future business derived from the distribution agreements acquired as part of a business combination. Value of customer relationships acquired ("VOCRA") is also reported in other assets and represents the present value of the expected future profits associated with the expected future business acquired through existing customers of the acquired company or business. The VODA and VOCRA associated with past business combinations are amortized over the assets' useful lives ranging from nine to 40 years and such amortization is included in other expenses. Each year, or more frequently if circumstances indicate a possible impairment exists, the Company reviews VODA and VOCRA to determine whether the asset is impaired.

For certain acquired blocks of business, the estimated fair value of the in-force contract obligations exceeded the book value of assumed in-force insurance policy liabilities, resulting in negative VOBA, which is presented separately from VOBA as an additional insurance liability included in other policy-related balances. The estimated fair value of the in-force contract obligations is based on projections by each block of business. Negative VOBA is amortized on a basis consistent with the methodologies and assumptions used for amortizing DAC for the related contracts. Such amortization is recorded as an offset in other expenses.

**Reinsurance**

For each of its reinsurance agreements, the Company determines whether the agreement provides indemnification against loss or liability relating to insurance risk in accordance with applicable accounting standards. Cessions under reinsurance agreements do not discharge the Company's obligations as the primary insurer. The Company reviews all contractual features, including those that may limit the amount of insurance risk to which the reinsurer is subject or features that delay the timely reimbursement of claims.

For reinsurance of existing in-force blocks of long-duration contracts that transfer significant insurance risk, the difference, if any, between the amounts paid (received), and the liabilities ceded (assumed) related to the underlying reinsured contracts is considered the net cost of reinsurance at the inception of the reinsurance agreement. The net cost of reinsurance is amortized on a basis consistent with the methodologies and assumptions used for amortizing DAC related to the underlying reinsured contracts. Subsequent accounting for in-force blocks and new business assumed is the same as if the business was directly sold by the Company.

For prospective reinsurance of short-duration contracts that meet the criteria for reinsurance accounting, amounts paid (received) are recorded as ceded (assumed) premiums and ceded (assumed) unearned premiums. Ceded (assumed) unearned premiums are reflected as a component of premiums, reinsurance and other receivables (future policy benefits). Such amounts are amortized through earned premiums over the remaining contract period in proportion to the amount of insurance protection provided. For retroactive reinsurance of short-duration contracts that meet the criteria for reinsurance accounting, amounts paid (received) in excess of the related insurance liabilities ceded (assumed) are recognized immediately as a loss and are reported in the appropriate line item within the statement of operations. Any gain on such retroactive agreement is deferred and is amortized as part of DAC, primarily using the recovery method.

The reinsurance recoverable for traditional non-participating and limited-payment contracts is generally measured using a net premium methodology to accrue the projected net gain or loss on reinsurance in proportion to the gross premiums of the underlying reinsured cohorts; and is updated retrospectively on a quarterly basis for actual experience and at least once a year for any changes in cash flow assumptions. The locked-in discount rate used to measure changes in the reinsurance recoverable recorded in net income was established at the Transition Date, or at the inception of the reinsurance coverage for new reinsurance agreements entered into subsequent to the Transition Date. The reinsurance recoverable is remeasured to an upper-medium grade discount rate through OCI at each reporting date, similar to the underlying reinsured contracts. The reinsurance recoverable for other long-duration contracts and associated contract

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

features is measured using assumptions and methods generally consistent with the underlying direct policies, except that for reinsured MRBs, the entire change in fair value is recognized in net income each reporting period.

Amounts currently recoverable under reinsurance agreements are included in premiums, reinsurance and other receivables and amounts currently payable are included in other liabilities. Assets and liabilities relating to reinsurance agreements with the same reinsurer may be recorded net on the balance sheet, if a right of offset exists within the reinsurance agreement. In the event that reinsurers do not meet their obligations to the Company under the terms of the reinsurance agreements, or when events or changes in circumstances indicate that its carrying amount may not be recoverable, reinsurance recoverable balances could become uncollectible. In such instances, reinsurance recoverable balances are stated net of allowances for uncollectible reinsurance, consistent with credit loss guidance which requires recording an allowance for credit loss (“ACL”).

Premiums, fees, policyholder liability remeasurement (gains) losses, and policyholder benefits and claims include amounts assumed under reinsurance agreements and are net of reinsurance ceded. Amounts received from reinsurers for policy administration are reported in other expenses.

If the Company determines that a reinsurance agreement does not expose the reinsurer to a reasonable possibility of a significant loss from insurance risk, the Company records the agreement using the deposit method of accounting. Deposits received are included in other liabilities and deposits made are included within premiums, reinsurance and other receivables. As amounts are paid or received, consistent with the underlying contracts, the deposit assets or liabilities are adjusted. Interest on such deposits is recorded as other revenues or other expenses, as appropriate. Periodically, the Company evaluates the adequacy of the expected payments or recoveries and adjusts the deposit asset or liability through other revenues or other expenses, as appropriate.

**Investments****Net Investment Income**

Net investment income includes primarily interest income, including amortization of premium and accretion of discount, prepayment fees, dividend income, rental income and equity method income and is net of related investment expenses. Net investment income also includes; (i) realized gains (losses) on investments sold or disposed and (ii) unrealized gains (losses) recognized in earnings, representing changes in estimated fair value, primarily for Unit-linked investments (defined below) and FVO securities.

**Net Investment Gains (Losses)**

Net investment gains (losses) include primarily (i) realized gains (losses) from sales and disposals of investments, which are determined by specific identification, (ii) intent-to-sell impairment losses on fixed maturity securities available-for-sale (“AFS”) and impairment losses on all other asset classes and, to a lesser extent, (iii) recognized gains (losses). Recognized gains (losses) are primarily comprised of the change in the ACL and unrealized gains (losses) for certain investments for which changes in estimated fair value are recognized in earnings. Changes in the ACL includes both (i) provisions for credit loss on fixed maturity securities AFS, mortgage loans and leveraged and direct financing leases, and (ii) subsequent changes in the ACL. Unrealized gains (losses), representing changes in estimated fair value recognized in earnings, primarily relate to equity securities and certain other limited partnership interests and real estate joint ventures.

Net investment gains (losses) also include non-investment portfolio gains (losses) which do not relate to the performance of the investment portfolio, including gains (losses) from sales and divestitures of businesses and impairment of property, equipment, leasehold improvements and right-of-use (“ROU”) lease assets.

**Accrued Investment Income**

Accrued investment income is presented separately on the consolidated balance sheet and excluded from the carrying value of the related investments, primarily fixed maturity securities and mortgage loans.

**Fixed Maturity Securities**

The majority of the Company’s fixed maturity securities are classified as AFS and are reported at their estimated fair value. Changes in the estimated fair value of these securities not recognized in earnings representing unrecognized unrealized investment gains (losses) are recorded as a separate component of OCI, net of policy-related amounts and

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

deferred income taxes. All security transactions are recorded on a trade date basis. Sales of securities are determined on a specific identification basis.

Interest income and prepayment fees are recognized when earned. Interest income is recognized using an effective yield method giving effect to amortization of premium and accretion of discount, and is based on the estimated economic life of the securities, which for mortgage-backed and asset-backed securities considers the estimated timing and amount of prepayments of the underlying loans. See Note 11 “— Fixed Maturity Securities AFS — Methodology for Amortization of Premium and Accretion of Discount on Structured Products.” The amortization of premium and accretion of discount also take into consideration call and maturity dates. Generally, the accrual of income is ceased and accrued investment income that is considered uncollectible is recognized as a charge within net investment gains (losses) when securities are impaired.

The Company periodically evaluates these securities for impairment. The assessment of whether impairments have occurred is based on management’s case-by-case evaluation of the underlying reasons for the decline in estimated fair value as described in Note 11 “— Fixed Maturity Securities AFS — Evaluation of Fixed Maturity Securities AFS for Credit Loss.”

For securities in an unrealized loss position, a credit loss is recognized in earnings within net investment gains (losses) when it is anticipated that the amortized cost, excluding accrued investment income, will not be recovered. When either: (i) the Company has the intent to sell the security; or (ii) it is more likely than not that the Company will be required to sell the security before recovery, the reduction of amortized cost and the loss recognized in earnings is the entire difference between the security’s amortized cost and estimated fair value. If neither of these conditions exists, the difference between the amortized cost of the security and the present value of projected future cash flows expected to be collected is recognized in earnings as a credit loss by establishing an ACL with a corresponding charge recorded in net investment gains (losses). However, the ACL is limited by the amount that the fair value is less than the amortized cost. This limitation is known as the “fair value floor.” If the estimated fair value is less than the present value of projected future cash flows expected to be collected, this portion of the decline in value related to other-than-credit factors (“noncredit loss”) is recorded in OCI as an unrecognized loss.

For purchased credit deteriorated (“PCD”) fixed maturity securities AFS and financing receivables, an ACL is established at acquisition, which is added to the purchase price to establish the initial amortized cost of the investment and is not recognized in earnings.

***Equity Securities***

Equity securities are reported at their estimated fair value, with unrealized gains (losses) representing changes in estimated fair value recognized in net investment gains (losses). Sales of securities are determined on a specific identification basis. Dividends are recognized in net investment income when declared.

***Contractholder-Directed Equity Securities and Fair Value Option Securities***

Contractholder-directed equity securities and FVO securities (collectively, “Unit-linked and FVO securities”) are investments for which the FVO has been elected, or which are otherwise required to be carried at estimated fair value, and include:

- contractholder-directed investments supporting unit-linked variable annuity type liabilities (“Unit-linked investments”) which do not qualify for presentation and reporting as separate account summary total assets and liabilities. These investments are primarily equity securities (including mutual funds). The investment returns on these investments inure to contractholders and are offset by a corresponding change in PABs through interest credited to PABs; and
- fixed maturity and equity securities held-for-investment by the general account to support asset and liability management strategies for certain insurance products and investments in certain separate accounts.

Interest income and dividend income on these investments are included in net investment income. Realized gains (losses) on investments sold or disposed and unrealized gains (losses), representing changes in estimated fair value, are both recognized in net investment income for Unit-linked investments and FVO securities. Sales of these investments are determined on a specific identification basis.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)***Mortgage Loans*

The Company may originate or acquire mortgage loans and in certain cases transfer an interest to third parties under participation agreements. The Company accounts for transfers of an interest in a mortgage loan as sales if the transfers meet both the conditions of a participating interest and the conditions for sale accounting. A mortgage transfer that does not meet these conditions is recognized as a secured borrowing with a pledge of collateral.

The Company disaggregates its mortgage loan investments into three portfolio segments: commercial, agricultural and residential. Also included in commercial mortgage loans are revolving line of credit loans collateralized by commercial properties. The accounting policies that are applicable to all portfolio segments are presented below and the accounting policies related to each of the portfolio segments are included in Note 11.

The Company recognizes an ACL in earnings within net investment gains (losses) at time of purchase or origination based on expected lifetime credit loss on financing receivables carried at amortized cost, including, but not limited to, mortgage loans, in an amount that represents the portion of the amortized cost basis of such financing receivables that the Company does not expect to collect, resulting in financing receivables being presented at the net amount expected to be collected.

The Company ceases to accrue interest when the collection of interest is not considered probable, which is based on a current evaluation of the status of the borrower, including the number of days past due. When a loan is placed on non-accrual status, uncollected past due accrued interest income that is considered uncollectible is charged-off against net investment income. Generally, the accrual of interest income resumes after all delinquent amounts are paid and management believes all future principal and interest payments will be collected. The Company records cash receipts on non-accruing loans in accordance with the loan agreement. The Company records charge-offs of mortgage loan balances not considered collectible upon the realization of a credit loss, for commercial and agricultural mortgage loans typically through foreclosure or after a decision is made to sell a loan, and for residential mortgage loans, typically after considering the individual consumer's financial status. The charge-off is recorded in net investment gains (losses), net of amounts recognized in ACL. Cash recoveries on principal amounts previously charged-off are generally reported in net investment gains (losses).

Mortgage loans are stated at unpaid principal balance, adjusted for any unamortized premium or discount, deferred fees or expenses, and are net of ACL. Interest income and prepayment fees are recognized when earned. Interest income is recognized using an effective yield method giving effect to amortization of premium and deferred expenses and accretion of discount and deferred fees.

Also included in mortgage loans are residential mortgage loans for which the FVO was elected, and which are stated at estimated fair value. Changes in estimated fair value are recognized in net investment income.

Mortgage loans that are designated as held-for-sale are carried at the lower of amortized cost or estimated fair value.

*Policy Loans*

Policy loans are stated at unpaid principal balances. Interest income is recognized as earned using the contractual interest rate. Generally, accrued interest is capitalized on the policy's anniversary date. Valuation allowances are not established for policy loans, as they are fully collateralized by the cash surrender value of the underlying insurance policies. Any unpaid principal and accrued interest are deducted from the cash surrender value or the death benefit prior to settlement of the insurance policy.

*Real Estate*

Real estate is stated at cost less accumulated depreciation. Depreciation is recognized on a straight-line basis, without any provision for salvage value, over the estimated useful life of the asset (typically up to 55 years). Rental income is recognized on a straight-line basis over the term of the respective leases. The Company periodically reviews its real estate for impairment and tests for recoverability when the carrying value of the real estate is less than its estimated fair value and whenever events or changes in circumstances indicate the carrying value may not be recoverable. Properties whose carrying values are greater than their estimated undiscounted cash flows are written down to their estimated fair value, which is generally computed using the present value of expected future cash flows discounted at a rate commensurate with the underlying risks.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

Real estate for which the Company commits to a plan to sell within one year and actively markets in its current condition for a reasonable price in comparison to its estimated fair value is classified as held-for-sale and is not depreciated. Real estate held-for-sale is stated at the lower of depreciated cost or estimated fair value less expected disposition costs.

*Real Estate Joint Ventures and Other Limited Partnership Interests*

The Company uses the equity method of accounting or the FVO for an investee when it has more than a minor ownership interest or more than a minor influence over the investee's operations but does not hold a controlling financial interest, including when the Company is not deemed the primary beneficiary of a VIE. Under the equity method, the Company recognizes its share of the investee's earnings within net investment income. Contributions paid by the Company increase carrying value and distributions received by the Company reduce carrying value. The Company generally recognizes its share of the investee's earnings on a three-month lag in instances where the investee's financial information is not sufficiently timely or when the investee's reporting period differs from the Company's reporting period.

The Company accounts for its interest in real estate joint ventures and other limited partnership interests in which it has virtually no influence over the investee's operations at estimated fair value. Unrealized gains (losses), representing changes in estimated fair value of these investments, are recognized in earnings within net investment gains (losses). Due to the nature and structure of these investments, they do not meet the characteristics of an equity security in accordance with applicable accounting guidance.

The Company consolidates real estate joint ventures and other limited partnership interests of which it holds a controlling financial interest, or it is deemed the primary beneficiary of a VIE. Assets of certain consolidated real estate joint ventures and other limited partnership interests are initially recorded at estimated fair value. The Company elects the FVO for certain real estate joint ventures that are managed on a total return basis. Unrealized gains (losses) representing changes in estimated fair value for real estate joint ventures and other limited partnership interests recorded at estimated fair value are recognized in net investment income.

The Company routinely evaluates its equity method investments for impairment whenever events or changes in circumstances indicate that the carrying amount is not recoverable and exceeds its estimated fair value. When it is determined an equity method investment has had a loss in value that is other than temporary, an impairment is recognized. Such an impairment is charged to net investment gains (losses).

*Short-term Investments*

Short-term investments include highly liquid securities and other investments with remaining maturities of one year or less, but greater than three months, at the time of purchase. Securities included within short-term investments are stated at estimated fair value, while other investments included within short-term investments are stated at amortized cost less ACL, which approximates estimated fair value.

*Other Invested Assets*

Other invested assets consist principally of the following:

- Freestanding derivatives with positive estimated fair values which are described in “— Derivatives” below.
- Net investment in direct financing leases is equal to the minimum lease payment receivables plus the unguaranteed residual value, less the unearned income, less ACL. Income is recognized by applying the pre-tax internal rate of return to the investment balance. The Company regularly reviews its minimum lease payment receivables for credit loss and residual value for impairments. Certain direct financing leases are linked to inflation.
- Annuities funding structured settlement claims represent annuities funding claims assumed by the Company in its capacity as a structured settlements assignment company. The annuities are stated at their contract value, which represents the present value of the future periodic claim payments to be provided. The net investment income recognized reflects the amortization of discount of the annuity at its implied effective interest rate.
- Investments in operating joint ventures that engage in insurance underwriting activities are accounted for under the equity method.
- Company-owned life insurance policies (“COLI”) are carried at cash surrender value.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

- Tax credit and renewable energy partnerships which derive a significant source of investment return in the form of income tax credits or other tax incentives. The Company accounts for its tax credit and renewable energy investments under the equity method. See Note 22.
- Investments in Federal Home Loan Bank of New York (“FHLBNY”) common stock are carried at redemption value and are considered restricted investments until redeemed by FHLBNY. Dividends are recognized in net investment income when declared.
- Net investment in leveraged leases is equal to the minimum lease payment receivables plus the unguaranteed residual value, less the unearned income, less ACL and is reported net of non-recourse debt. Income is recognized by applying the leveraged lease’s estimated rate of return to the net investment in the lease in those periods in which the net investment at the beginning of the period is positive. Leveraged leases derive investment returns in part from their income tax benefit. The Company regularly reviews its minimum lease payment receivables for credit loss and residual value for impairments.
- Funds withheld represent a receivable for amounts contractually withheld by ceding companies in accordance with reinsurance agreements. The Company recognizes interest on funds withheld at rates defined by the terms of the agreement which may be contractually specified or directly related to the underlying investments.

**Securities Lending Transactions and Repurchase Agreements**

The Company accounts for securities lending transactions and repurchase agreements as financing arrangements and the associated liability is recorded at the amount of cash received. The securities loaned or sold under these agreements are included in invested assets. Income and expenses associated with securities lending transactions and repurchase agreements are recognized as investment income and investment expense, respectively, within net investment income.

**Securities Lending Transactions**

The Company enters into securities lending transactions, whereby securities are loaned to unaffiliated financial institutions. The Company obtains collateral at the inception of the loan, usually cash, in an amount generally equal to 102% of the estimated fair value of the securities loaned, and maintains it at a level greater than or equal to 100% for the duration of the loan. Securities loaned under such transactions may be sold or re-pledged by the transferee. The Company is liable to return to the counterparties the cash collateral received. Security collateral on deposit from counterparties in connection with securities lending transactions may not be sold or re-pledged, unless the counterparty is in default, and is not reflected on the Company’s consolidated financial statements. The Company monitors the ratio of the collateral held to the estimated fair value of the securities loaned on a daily basis and additional collateral is obtained as necessary throughout the duration of the loan.

**Repurchase Agreements**

The Company participates in short-term repurchase agreements with unaffiliated financial institutions. Under these agreements, the Company sells securities and receives cash in an amount generally equal to 85% to 100% of the estimated fair value of the securities sold at the inception of the transaction, with a simultaneous agreement to repurchase such securities at a future date or on demand in an amount equal to the cash initially received plus interest. The Company monitors the ratio of the cash held to the estimated fair value of the securities sold throughout the duration of the transaction and additional cash or securities are obtained as necessary. Securities sold under such transactions may be sold or re-pledged by the transferee.

**Derivatives****Freestanding Derivatives**

Freestanding derivatives are carried on the Company’s balance sheet either as assets within other invested assets or as liabilities within other liabilities at estimated fair value. The Company does not offset the estimated fair value amounts recognized for derivatives executed with the same counterparty under the same master netting agreement.

Accruals on derivatives are generally recorded in accrued investment income or within other liabilities. However, accruals that are not scheduled to settle within one year are included with the derivative’s carrying value in other invested assets or other liabilities.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

If a derivative is not designated as an accounting hedge or its use in managing risk does not qualify for hedge accounting, changes in the estimated fair value of the derivative are reported in net derivative gains (losses) except as follows:

Statement of Operations Presentation:	Derivative:
Net investment income	<ul style="list-style-type: none"> <li>• Economic hedges of equity method investments in joint ventures</li> <li>• Derivatives held within unit-linked investments</li> <li>• Economic hedges of FVO securities which are linked to equity indices</li> </ul>

Hedge Accounting

To qualify for hedge accounting, at the inception of the hedging relationship, the Company formally documents its risk management objective and strategy for undertaking the hedging transaction, as well as its designation of the hedge. Hedge designation and financial statement presentation of changes in estimated fair value of the hedging derivatives are as follows:

- Fair value hedge - a hedge of the estimated fair value of a recognized asset or liability - in the same line item as the earnings effect of the hedged item. The carrying value of the hedged recognized asset or liability is adjusted for changes in its estimated fair value due to the hedged risk.
- Cash flow hedge - a hedge of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability - in OCI and reclassified into the statement of operations when the Company’s earnings are affected by the variability in cash flows of the hedged item.
- Net investment in a foreign operation (“NIFO”) hedge - in OCI, consistent with the translation adjustment for the hedged net investment in the foreign operation.

The changes in estimated fair values of the hedging derivatives are exclusive of any accruals that are separately reported on the statement of operations within interest income or interest expense to match the location of the hedged item. Accruals on derivatives in net investment hedges are recognized in OCI.

In its hedge documentation, the Company sets forth how the hedging instrument is expected to hedge the designated risks related to the hedged item and sets forth the method that will be used to retrospectively and prospectively assess the hedging instrument’s effectiveness. A derivative designated as a hedging instrument must be assessed as being highly effective in offsetting the designated risk of the hedged item. Hedge effectiveness is formally assessed at inception and at least quarterly throughout the life of the designated hedging relationship. Assessments of hedge effectiveness are also subject to interpretation and estimation and different interpretations or estimates may have a material effect on the amount reported in net income.

The Company discontinues hedge accounting prospectively when: (i) it is determined that the derivative is no longer highly effective in offsetting changes in the estimated fair value or cash flows of a hedged item; (ii) the derivative expires, is sold, terminated, or exercised; (iii) it is no longer probable that the hedged forecasted transaction will occur; or (iv) the derivative is de-designated as a hedging instrument.

When hedge accounting is discontinued because it is determined that the derivative is not highly effective in offsetting changes in the estimated fair value or cash flows of a hedged item, the derivative continues to be carried on the balance sheet at its estimated fair value, with changes in estimated fair value recognized in net derivative gains (losses). The carrying value of the hedged recognized asset or liability under a fair value hedge is no longer adjusted for changes in its estimated fair value due to the hedged risk, and the cumulative adjustment to its carrying value is amortized into income over the remaining life of the hedged item. The changes in estimated fair value of derivatives related to discontinued cash flow hedges remain in OCI unless it is probable that the hedged forecasted transaction will not occur.

When hedge accounting is discontinued because it is no longer probable that the forecasted transactions will occur on the anticipated date or within two months of that date, the derivative continues to be carried on the balance sheet at its estimated fair value, with changes in estimated fair value recognized currently in net derivative gains (losses). Deferred



**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

gains and losses of a derivative recorded in OCI pursuant to the discontinued cash flow hedge of a forecasted transaction that is no longer probable of occurring are recognized immediately in net investment gains (losses).

In all other situations in which hedge accounting is discontinued, the derivative is carried at its estimated fair value on the balance sheet, with changes in its estimated fair value recognized in the current period as net derivative gains (losses).

***Embedded Derivatives***

The Company issues certain products and investment contracts and is a party to certain reinsurance agreements that have embedded derivatives. The Company assesses each identified embedded derivative to determine whether it is required to be bifurcated. The embedded derivative is bifurcated from the host contract and accounted for as a freestanding derivative if:

- the contract or contract feature does not meet the definition of a MRB;
- the combined instrument is not accounted for in its entirety at estimated fair value with changes in estimated fair value recorded in earnings;
- the terms of the embedded derivative are not clearly and closely related to the economic characteristics of the host contract; and
- a separate instrument with the same terms as the embedded derivative would qualify as a derivative instrument.

Such embedded derivatives are carried on the balance sheet at estimated fair value with the host contract and changes in their estimated fair value are reported in net derivative gains (losses). If the Company is unable to properly identify and measure an embedded derivative for separation from its host contract, the entire contract is carried on the balance sheet at estimated fair value, with changes in estimated fair value recognized in the current period in net investment gains (losses) or net investment income. Additionally, the Company may elect to carry an entire contract on the balance sheet at estimated fair value, with changes in estimated fair value recognized in the current period in net investment gains (losses) or net investment income if that contract contains an embedded derivative that requires bifurcation.

***Fair Value***

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. In most cases, the exit price and the transaction (or entry) price will be the same at initial recognition.

Subsequent to initial recognition, fair values are based on unadjusted quoted prices for identical assets or liabilities in active markets that are readily and regularly obtainable. When such unadjusted quoted prices are not available, estimated fair values are based on quoted prices in markets that are not active, quoted prices for similar but not identical assets or liabilities, or other observable inputs. If these inputs are not available, or observable inputs are not determinable, unobservable inputs and/or adjustments to observable inputs requiring significant management judgment are used to determine the estimated fair value of assets and liabilities. These unobservable inputs can be based on management's judgment, assumptions or estimation and may not be observable in market activity. Unobservable inputs are based on management's assumptions about the inputs market participants would use in pricing the assets.

***Goodwill***

Goodwill represents the future economic benefits arising from net assets acquired in a business combination that are not individually identified and recognized. Goodwill is calculated as the excess of the cost of the acquired entity over the estimated fair value of such assets acquired and liabilities assumed. Goodwill is not amortized, but is tested for impairment at least annually, or more frequently if events or circumstances indicate that there may be justification for conducting an interim test. The Company performs its annual goodwill impairment testing during the third quarter based upon data as of the close of the second quarter. Goodwill associated with a business acquisition is not tested for impairment during the year the business is acquired unless there is a significant identified impairment event.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

The Company tests goodwill for impairment by performing a qualitative assessment and/or a quantitative test. The qualitative impairment assessment is an assessment of historical information and relevant current events and circumstances, including economic, industry and market considerations, to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount, including goodwill. The Company may elect not to perform the qualitative impairment assessment for some or all of its reporting units and perform a quantitative impairment test. In performing the quantitative impairment test, the Company may determine the fair values of its reporting units by applying a market multiple, discounted cash flow, and/or an actuarial-based valuation approach. The valuation methodologies utilized are subject to key judgments and assumptions that are sensitive to change.

The impairment test is performed at the reporting unit level, which is the operating segment or a business one level below the operating segment, if discrete financial information is prepared and regularly reviewed by management at that level. For purposes of goodwill impairment testing, if the carrying value of a reporting unit exceeds its estimated fair value, an impairment charge would be recognized for the amount by which the carrying value exceeds the reporting unit's fair value; however, the loss recognized would not exceed the total amount of goodwill allocated to that reporting unit. Additionally, the Company will consider income tax effects from any tax deductible goodwill on the carrying value of the reporting unit when measuring the goodwill impairment loss, if applicable.

On an ongoing basis, the Company evaluates potential triggering events that may affect the estimated fair value of the Company's reporting units to assess whether any goodwill impairment exists. Deteriorating or adverse economic, industry and market conditions for certain reporting units may have a significant impact on the estimated fair value of these reporting units and could result in future impairments of goodwill.

**Employee Benefit Plans**

Certain subsidiaries of MetLife, Inc. sponsor defined benefit pension plans and other postretirement benefit plans covering eligible employees. Measurement dates used for all of the subsidiaries' defined benefit pension and other postretirement benefit plans correspond with the fiscal year ends of sponsoring subsidiaries, which is December 31 for U.S. and non-U.S. subsidiaries.

The Company recognizes the funded status of each of its defined benefit pension and other postretirement benefit plans, measured as the difference between the fair value of plan assets and the benefit obligation, which is the projected benefit obligation ("PBO") for pension benefits and the accumulated postretirement benefit obligation ("APBO") for other postretirement benefits in other assets or other liabilities.

Actuarial gains and losses result from differences between each plan's actual experience and the assumed experience on plan assets or PBO/APBO during a particular period and are recorded in accumulated OCI ("AOCI"). To the extent such gains and losses exceed 10% of the greater of the PBO/APBO or the estimated fair value of plan assets, the excess is amortized into net periodic benefit costs, generally over the average projected future service years of the active employees. In addition, prior service costs (credit) are recognized in AOCI at the time of the amendment and then amortized to net periodic benefit costs over the average projected future service years of the active employees.

Net periodic benefit costs are determined using management's estimates and actuarial assumptions and are comprised of service cost, interest cost, settlement and curtailment costs, expected return on plan assets, amortization of net actuarial (gains) losses, and amortization of prior service costs (credit). Fair value is used to determine the expected return on plan assets.

The subsidiaries also sponsor defined contribution plans for substantially all U.S. employees under which a portion of employee contributions is matched. Applicable matching contributions are made each payroll period. Accordingly, the Company recognizes compensation cost for current matching contributions. As all contributions are transferred currently as earned to the defined contribution plans, no liability for matching contributions is recognized on the balance sheets.

**Income Tax**

MetLife, Inc. and its includable life insurance and non-life insurance subsidiaries file a consolidated U.S. federal income tax return in accordance with the provisions of the Internal Revenue Code of 1986, as amended. Non-includable subsidiaries file either separate individual corporate tax returns or separate consolidated tax returns.

The Company's accounting for income taxes represents management's best estimate of various events and transactions.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

Deferred tax assets and liabilities resulting from temporary differences between the financial reporting and tax bases of assets and liabilities are measured at the balance sheet date using enacted tax rates expected to apply to taxable income in the years the temporary differences are expected to reverse.

The realization of deferred tax assets depends upon the existence of sufficient taxable income within the carryback or carryforward periods under the tax law in the applicable tax jurisdiction. Valuation allowances are established against deferred tax assets when management determines, based on available information, that it is more likely than not that deferred income tax assets will not be realized. Significant judgment is required in determining whether valuation allowances should be established, as well as the amount of such allowances. When making such determination, the Company considers many factors, including:

- the nature, frequency, and amount of cumulative financial reporting income and losses in recent years;
- the jurisdiction in which the deferred tax asset was generated;
- the length of time that carryforward can be utilized in the various taxing jurisdictions;
- future taxable income exclusive of reversing temporary differences and carryforwards;
- future reversals of existing taxable temporary differences;
- taxable income in prior carryback years; and
- tax planning strategies, including the intent and ability to hold certain AFS debt securities until they recover in value.

The Company may be required to change its provision for income taxes when estimates used in determining valuation allowances on deferred tax assets significantly change or when receipt of new information indicates the need for adjustment in valuation allowances. Additionally, the effect of changes in tax laws, tax regulations, or interpretations of such laws or regulations, is recognized in net income tax expense (benefit) in the period of change.

The Company determines whether it is more likely than not that a tax position will be sustained upon examination by the appropriate taxing authorities before any part of the benefit can be recorded on the financial statements. A tax position is measured at the largest amount of benefit that is greater than 50% likely of being realized upon settlement. Unrecognized tax benefits due to tax uncertainties that do not meet the threshold are included within other liabilities and are charged to earnings in the period that such determination is made.

The Company classifies interest recognized as interest expense and penalties recognized as a component of income tax expense.

**Litigation Contingencies**

The Company is a defendant in a large number of litigation matters and is involved in a number of regulatory investigations. Liabilities are established when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. Except as otherwise disclosed in Note 24, legal costs are recognized as incurred. On a quarterly and annual basis, the Company reviews relevant information with respect to liabilities for litigation, regulatory investigations and litigation-related contingencies to be reflected on the Company's consolidated financial statements.

**Other Accounting Policies****Stock-Based Compensation**

The Company grants certain employees and directors stock-based compensation awards under various plans, subject to vesting conditions. The Company recognizes compensation expense in an amount fixed at grant date or remeasured quarterly as described in Note 19. The Company generally recognizes this expense over the vesting period. However, the Company truncates the expense period to the date the employee attained age-and-service criteria to exercise or receive payment for the award regardless of continued employment. In such a case, the Company does not accelerate award exercise or payment timing. The Company also takes an estimation of forfeitures into account.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)***Cash and Cash Equivalents*

The Company considers highly liquid securities and other investments purchased with an original or remaining maturity of three months or less at the date of purchase to be cash equivalents. Securities included within cash equivalents are stated at estimated fair value, while other investments included within cash equivalents are stated at amortized cost which approximates estimated fair value.

*Property, Equipment, Leasehold Improvements and Computer Software*

Property, equipment and leasehold improvements, which are included in other assets, are stated at cost, less accumulated depreciation and amortization. Included in property and equipment are capitalized costs related to purchased software, as well as certain internal and external costs incurred to develop internal-use computer software during the application development stage. Depreciation and amortization on property and equipment are determined using the straight-line method over the estimated useful lives of the assets, generally ranging from four to 40 years. Leasehold improvements are amortized over the shorter of the useful life or remaining lease term up to 20 years. The cost basis of the property, equipment and leasehold improvements was \$7.3 billion and \$6.9 billion at December 31, 2023 and 2022, respectively. Accumulated depreciation and amortization of property, equipment and leasehold improvements was \$4.8 billion and \$4.4 billion at December 31, 2023 and 2022, respectively. Related depreciation and amortization expense was \$470 million, \$423 million and \$426 million for the years ended December 31, 2023, 2022 and 2021, respectively. The Company recognized leasehold improvement impairment charges of \$0, \$3 million, and \$45 million for the years ended December 31, 2023, 2022 and 2021, respectively.

*Leases*

The Company, as lessee, has entered into various lease and sublease agreements for office space and equipment. At contract inception, the Company determines that an arrangement contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For contracts that contain a lease, the Company recognizes the ROU asset in other assets and the lease liability in other liabilities. The Company evaluates whether a ROU asset is impaired when events or changes in circumstances indicate that its carrying amount may not be recoverable. Leases with an initial term of 12 months or less are not recorded on the balance sheet and the associated lease costs are recorded as an expense on a straight-line basis over the lease term.

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are determined using the Company's incremental borrowing rate based upon information available at commencement date to recognize the present value of lease payments over the lease term. ROU assets also include lease payments and excludes lease incentives. Lease terms may include options to extend or terminate the lease and are included in the lease measurement when it is reasonably certain that the Company will exercise that option.

The Company has lease agreements with lease and non-lease components. The Company does not separate lease and non-lease components and accounts for these items as a single lease component for all asset classes.

The majority of the Company's leases and subleases are operating leases related to office space. The Company recognizes lease expense for operating leases on a straight-line basis over the lease term.

*Other Revenues*

Other revenues primarily include fees related to service contracts from customers for vision fee for service arrangements, prepaid legal plans, fee-based investment management, recordkeeping and administrative services, and administrative services-only contracts. Substantially all of the revenue from the services is recognized over time as the applicable services are provided or are made available to the customers. The revenue recognized includes variable consideration to the extent it is probable that a significant reversal will not occur. In addition to the service fees, other revenues also include certain stable value fees and other miscellaneous revenues. These fees and miscellaneous revenues are recognized as earned.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)***Policyholder Dividends*

Policyholder dividends are approved annually by the insurance subsidiaries' boards of directors. The aggregate amount of policyholder dividends is related to actual interest, mortality, morbidity and expense experience for the year, as well as management's judgment as to the appropriate level of statutory surplus to be retained by the insurance subsidiaries.

*Foreign Currency*

Assets, liabilities and operations of foreign affiliates and subsidiaries, as well as investments accounted for under the equity method, are recorded based on the functional currency of each entity. The determination of the functional currency is made based on the appropriate economic and management indicators. For most of the Company's foreign operations, the local currency is the functional currency. For certain other foreign operations, such as Japan, the local currency and one or more other currencies qualify as functional currencies. Assets and liabilities of foreign affiliates and subsidiaries are translated from the functional currency to U.S. dollars at the exchange rates in effect at each year-end and revenues and expenses are translated at the average exchange rates during the year. The resulting translation adjustments are charged or credited directly to OCI, net of applicable taxes. Gains and losses from foreign currency transactions, including the effect of re-measurement of monetary assets and liabilities to the appropriate functional currency, are reported as part of net investment gains (losses) in the period in which they occur.

*Earnings Per Common Share*

Basic earnings per common share are computed based on the weighted average number of common shares, or their equivalent, outstanding during the period. Diluted earnings per common share include the dilutive effect of the assumed exercise or issuance of stock-based awards using the treasury stock method. Under the treasury stock method, exercise or issuance of stock-based awards is assumed to occur with the proceeds used to purchase common stock at the average market price for the period. The difference between the number of shares assumed issued and number of shares assumed purchased represents the dilutive shares.

***Recent Accounting Pronouncements***

Changes to GAAP are established by the Financial Accounting Standards Board ("FASB") in the form of ASUs to the FASB Accounting Standards Codification. The Company considers the applicability and impact of all ASUs. The following tables provide a description of ASUs recently issued by the FASB and the impact of their adoption on the Company's consolidated financial statements.

***Adoption of ASU 2018-12 - Targeted Improvements to the Accounting for Long-Duration Contracts***

The Company adopted LDTI effective January 1, 2023 with a Transition Date of January 1, 2021. The standard required a full retrospective transition approach for MRBs, and allowed for a transition method election for FPBs and DAC, as well as other balances that have historically been amortized in a manner consistent with DAC. The Company has elected the modified retrospective transition approach for all FPBs, DAC, and related balances on all long-duration contracts, subject to the transition provisions. Additionally, an amendment in LDTI allowed entities to make an accounting policy election to exclude certain sold or disposed contracts or legal entities from application of the transition guidance. The Company did not make such an election.

Under the modified retrospective approach, the Company was required to establish LDTI-compliant FPBs, DAC and related balances for the Company's Transition Date opening balance sheet by utilizing the Company's December 31, 2020 balances with certain adjustments as described below.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)

The following table presents a summary of the Transition Date impacts associated with the implementation of LDTI to the consolidated balance sheet:

	Premiums, Reinsurance and Other Receivables	Deferred Policy Acquisition Costs and Value of Business Acquired	Other Assets	Future Policy Benefits	Policyholder Account Balances	Other Policy- related Balances	Market Risk Benefit Liabilities	Deferred Income Tax Liability	Retained Earnings	Accumulated Other Comprehensive Income (Loss)
(In millions)										
<b>Balances as reported, December 31, 2020</b>	\$ 17,870	\$ 16,389	\$ 11,685	\$ 206,656	\$ 205,176	\$ 17,101	\$ —	\$ 11,008	\$ 36,491	\$ 18,072
Reclassification of carrying amounts of contracts and contract features that are market risk benefits and adjustment to negative VOBA as a result of the full retrospective application of MRB guidance	(59)	—	—	(1,818)	(958)	(72)	2,789	—	—	—
Adjustments for the difference between previous carrying amounts and fair value measurements for market risk benefits	(12)	—	—	—	—	—	5,112	(1,079)	(4,121)	76
Removal of related amounts in accumulated other comprehensive income	—	4,007	42	(7,911)	—	1,043	—	2,405	—	8,512
Adjustment of future policy benefits to remeasure cohorts where net premiums exceed gross premiums under the modified retrospective approach	32	—	—	719	—	—	—	(160)	(527)	—
Effect of remeasurement of future policy benefits to an upper-medium grade discount rate	351	—	—	34,119	—	—	—	(7,438)	—	(26,330)
Adjustments for the cumulative effect of adoption on additional insurance assets and liabilities	19	—	—	83	—	—	—	(13)	(42)	(9)
Other balance sheet reclassifications and adjustments upon adoption of the LDTI standard	(32)	21	15	(7,490)	7,519	(40)	—	—	23	(6)
<b>Balances as adjusted, January 1, 2021</b>	<u>\$ 18,169</u>	<u>\$ 20,417</u>	<u>\$ 11,742</u>	<u>\$ 224,358</u>	<u>\$ 211,737</u>	<u>\$ 18,032</u>	<u>\$ 7,901</u>	<u>\$ 4,723</u>	<u>\$ 31,824</u>	<u>\$ 315</u>

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

The Transition Date impacts associated with the implementation of LDTI were applied as follows:

*Market Risk Benefits (See Note 6)*

The full retrospective transition approach for MRBs required assessing products to determine whether contract or contract features expose the Company to other than nominal capital market risk. The population of MRBs identified was then reviewed to determine the historical measurement model prior to adoption of LDTI. If the MRB was a bifurcated embedded derivative prior to the adoption of LDTI, the existing measurement approach was retained, except that the fair value of the MRB at inception was recalculated to isolate the contract issue date nonperformance risk of the Company.

If, prior to the adoption of LDTI, the MRB was partially a bifurcated embedded derivative (e.g., a contract with multiple features where one was a bifurcated embedded derivative and one was an additional insurance liability), or was accounted for under a different model, the at-inception attributed fee ratio was calculated for every identified MRB, and using the at inception attributed fee ratio, the fair value of the MRB at the contract issue date was calculated to isolate the contract issue date nonperformance risk of the Company.

At the Transition Date, the impacts to the financial statements of the full retrospective approach for MRBs include the following:

- The amounts previously recorded for these contracts within additional insurance liabilities, embedded derivatives, and other insurance liabilities were reclassified to MRB liabilities and negative VOBA was adjusted as a result of the full retrospective application of MRB guidance;
- The difference between the fair value of the MRBs and the previously recorded carrying value at the Transition Date, excluding the cumulative effect of changes in nonperformance risk of the Company, was recorded as an adjustment to the opening balance of retained earnings;
- The cumulative effect of changes in nonperformance risk between the contract issue date and the Transition Date was recorded as an adjustment to opening AOCI as of the Transition Date; and
- Corresponding reinsured MRB balances were established at the Transition Date, with changes in counterparty credit risk recorded in opening retained earnings as of the Transition Date and are classified within premiums, reinsurance and other receivables.

*Future Policy Benefits (See Note 4)*Traditional Non-participating Long-duration products

- Loss recognition balances related to unrealized investment gains associated with certain long-duration products previously recorded in AOCI were removed;
- Contracts in-force as of the Transition Date were grouped into cohorts; a revised NPR was calculated for each cohort using the existing Transition Date balance, best estimate cash flow assumptions without a provision for adverse deviation, and the historical discount rates used for the contracts within the cohort prior to the adoption of LDTI (the “locked-in” discount rate). For any cohorts where the net premiums exceeded gross premiums (NPR exceeded 100%), the FPB was increased for the excess of net premiums over gross premiums, with a corresponding adjustment recorded to opening retained earnings as of the Transition Date;
- The difference between the FPB balance calculated at the current upper-medium grade discount rate and the FPB balance calculated at the locked-in discount rate was recorded as an adjustment to opening AOCI as of the Transition Date; and
- Corresponding adjustments were made to ceded reinsurance balances.

Limited-payment Long-duration products

Limited-payment long-duration products transition to LDTI follows a similar approach to traditional non-participating products, except that these product cohorts may have a DPL which is adjusted at the Transition Date. If an increase to FPB depleted the DPL, the remaining adjustment was recorded to opening retained earnings as of the Transition Date.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)

Additional insurance liabilities

- The contracts and contract features that met the definition of a MRB were reclassified;
- The impact of updating assessments used in the calculation of the additional insurance liabilities to reflect the constant margin amortization basis for UREV liabilities was recorded as an adjustment to opening retained earnings and AOCI; and
- Corresponding adjustments were made to ceded reinsurance balances.

*DAC and other balances to be amortized in a manner consistent with DAC (VOBA, DSI and UREV) (See Note 8 for information on DAC, VOBA and UREV)*

The opening balances of these accounts were adjusted for removal of the related amounts in AOCI, as these balances are no longer amortized using expected future gross premiums, margins, profits or earned premiums.

*Other balance sheet reclassifications and adjustments at LDTI adoption (See Notes 4,5 and 8)*

Individual income annuities reclassification

Prior to the Transition Date, the Company classified all structured settlement and institutional income annuity products within FPBs. While the pre-LDTI GAAP reserving model was the same for these products, upon transition to LDTI, the reserving model for a subset of these products changed, requiring the Company to reclassify \$7.4 billion of FPBs to PABs at the Transition Date.

Other reclassifications and adjustments

Other minor reclassifications and adjustments were made to conform to LDTI presentation requirements.



**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

The following table presents the effects of the retrospective application of the adoption of the new LDTI accounting guidance to the Company's previously reported consolidated balance sheet:

	December 31, 2022		
	As Previously Reported	Adoption Adjustment	Post Adoption
	(In millions)		
<b>Assets</b>			
Premiums, reinsurance and other receivables	\$ 17,461	\$ (97)	\$ 17,364
Market risk benefits	\$ —	\$ 280	\$ 280
Deferred policy acquisition costs and value of business acquired	\$ 22,983	\$ (3,330)	\$ 19,653
Deferred income tax asset	\$ 2,830	\$ (391)	\$ 2,439
Other assets	\$ 11,026	\$ (1)	\$ 11,025
Total assets	\$ 666,611	\$ (3,539)	\$ 663,072
<b>Liabilities</b>			
Future policy benefits	\$ 204,228	\$ (17,006)	\$ 187,222
Policyholder account balances	\$ 203,082	\$ 7,515	\$ 210,597
Market risk benefits	\$ —	\$ 3,763	\$ 3,763
Other policy-related balances	\$ 19,651	\$ (1,227)	\$ 18,424
Deferred income tax liability	\$ 325	\$ 625	\$ 950
Other liabilities	\$ 25,980	\$ (47)	\$ 25,933
Total liabilities	\$ 639,324	\$ (6,377)	\$ 632,947
<b>Equity</b>			
Retained earnings	\$ 41,953	\$ (1,621)	\$ 40,332
Accumulated other comprehensive income (loss)	\$ (27,083)	\$ 4,462	\$ (22,621)
Total MetLife, Inc.'s stockholders' equity	\$ 27,040	\$ 2,841	\$ 29,881
Noncontrolling interests	\$ 247	\$ (3)	\$ 244
Total equity	\$ 27,287	\$ 2,838	\$ 30,125
Total liabilities and equity	\$ 666,611	\$ (3,539)	\$ 663,072

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

The following table presents the effects of the retrospective application of the adoption of the new LDTI accounting guidance to the Company's previously reported consolidated statement of operations:

	December 31,					
	2022			2021		
	As Previously Reported	Adoption Adjustment	Post Adoption	As Previously Reported	Adoption Adjustment	Post Adoption
	(In millions)					
<b>Revenues</b>						
Premiums	\$ 49,397	\$ (887)	\$ 48,510	\$ 42,009	\$ (857)	\$ 41,152
Universal life and investment-type product policy fees	\$ 5,585	\$ (360)	\$ 5,225	\$ 5,756	\$ (512)	\$ 5,244
Other revenues	\$ 2,634	\$ (4)	\$ 2,630	\$ 2,619	\$ —	\$ 2,619
Net investment gains (losses)	\$ (1,262)	\$ 2	\$ (1,260)	\$ 1,529	\$ 14	\$ 1,543
Net derivative gains (losses)	\$ (2,372)	\$ 121	\$ (2,251)	\$ (2,228)	\$ (1,029)	\$ (3,257)
Total revenues	\$ 69,898	\$ (1,128)	\$ 68,770	\$ 71,080	\$ (2,384)	\$ 68,696
<b>Expenses</b>						
Policyholder benefits and claims	\$ 50,612	\$ (1,105)	\$ 49,507	\$ 43,954	\$ (836)	\$ 43,118
Policyholder liability remeasurement (gains) losses	\$ —	\$ 114	\$ 114	\$ —	\$ (172)	\$ (172)
Market risk benefit remeasurement (gains) losses	\$ —	\$ (3,674)	\$ (3,674)	\$ —	\$ (1,237)	\$ (1,237)
Interest credited to policyholder account balances	\$ 3,692	\$ 202	\$ 3,894	\$ 5,538	\$ 33	\$ 5,571
Policyholder dividends	\$ 701	\$ 5	\$ 706	\$ 876	\$ 4	\$ 880
Other expenses	\$ 12,034	\$ (175)	\$ 11,859	\$ 12,586	\$ (568)	\$ 12,018
Total expenses	\$ 67,039	\$ (4,633)	\$ 62,406	\$ 62,954	\$ (2,776)	\$ 60,178
Income (loss) before provision for income tax	\$ 2,859	\$ 3,505	\$ 6,364	\$ 8,126	\$ 392	\$ 8,518
Provision for income tax expense (benefit)	\$ 301	\$ 761	\$ 1,062	\$ 1,551	\$ 91	\$ 1,642
Net income (loss)	\$ 2,558	\$ 2,744	\$ 5,302	\$ 6,575	\$ 301	\$ 6,876
Net income (loss) attributable to noncontrolling interests	\$ 19	\$ (1)	\$ 18	\$ 21	\$ —	\$ 21
Net income (loss) attributable to MetLife, Inc.	\$ 2,539	\$ 2,745	\$ 5,284	\$ 6,554	\$ 301	\$ 6,855
Net income (loss) available to MetLife, Inc.'s common shareholders	\$ 2,354	\$ 2,745	\$ 5,099	\$ 6,353	\$ 301	\$ 6,654
Net income (loss) available to MetLife, Inc.'s common shareholders per common share:						
Basic	\$ 2.93	\$ 3.42	\$ 6.35	\$ 7.36	\$ 0.35	\$ 7.71
Diluted	\$ 2.91	\$ 3.39	\$ 6.30	\$ 7.31	\$ 0.34	\$ 7.65

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

The following table presents the effects of the retrospective application of the adoption of the new LDTI accounting guidance to the Company's previously reported consolidated statements of comprehensive income:

	December 31,					
	2022			2021		
	As Previously Reported	Adoption Adjustment	Post Adoption	As Previously Reported	Adoption Adjustment	Post Adoption
	(In millions)					
Net income (loss)	\$ 2,558	\$ 2,744	\$ 5,302	\$ 6,575	\$ 301	\$ 6,876
Unrealized investment gains (losses), net of related offsets	\$ (47,831)	\$ (8,666)	\$ (56,497)	\$ (8,171)	\$ (4,669)	\$ (12,840)
Future policy benefits discount rate remeasurement gains (losses)	\$ —	\$ 31,804	\$ 31,804	\$ —	\$ 10,102	\$ 10,102
Market risk benefits instrument-specific credit risk remeasurement gains (losses)	\$ —	\$ (219)	\$ (219)	\$ —	\$ 257	\$ 257
Foreign currency translation adjustments	\$ (1,242)	\$ 4	\$ (1,238)	\$ (1,306)	\$ 40	\$ (1,266)
Other comprehensive income (loss), before income tax	\$ (48,879)	\$ 22,923	\$ (25,956)	\$ (9,012)	\$ 5,730	\$ (3,282)
Income tax (expense) benefit related to items of other comprehensive income (loss)	\$ 10,871	\$ (5,092)	\$ 5,779	\$ 1,862	\$ (1,343)	\$ 519
Other comprehensive income (loss), net of income tax	\$ (38,008)	\$ 17,831	\$ (20,177)	\$ (7,150)	\$ 4,387	\$ (2,763)
Comprehensive income (loss)	\$ (35,450)	\$ 20,575	\$ (14,875)	\$ (575)	\$ 4,688	\$ 4,113
Less: Comprehensive income (loss) attributable to noncontrolling interest, net of income tax	\$ 13	\$ (2)	\$ 11	\$ 24	\$ —	\$ 24
Comprehensive income (loss) attributable to MetLife, Inc.	\$ (35,463)	\$ 20,577	\$ (14,886)	\$ (599)	\$ 4,688	\$ 4,089

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)

The following table presents the effects of the retrospective application of the adoption of the new LDTI accounting guidance to the Company's previously reported consolidated statements of equity:

	As Previously Reported	Adoption Adjustment	Post Adoption
	(In millions)		
<b>Retained Earnings</b>			
Balance at December 31, 2020	\$ 36,491	\$ —	\$ 36,491
Cumulative effects of changes in accounting principles, net of income tax	\$ —	\$ (4,667)	\$ (4,667)
Net income (loss)	\$ 6,554	\$ 301	\$ 6,855
Balance at December 31, 2021	\$ 41,197	\$ (4,366)	\$ 36,831
Net income (loss)	\$ 2,539	\$ 2,745	\$ 5,284
Balance at December 31, 2022	\$ 41,953	\$ (1,621)	\$ 40,332
<b>Accumulated Other Comprehensive Income (Loss)</b>			
Balance at December 31, 2020	\$ 18,072	\$ —	\$ 18,072
Cumulative effects of changes in accounting principles, net of income tax	\$ —	\$ (17,757)	\$ (17,757)
Other comprehensive income (loss), net of income tax	\$ (7,153)	\$ 4,387	\$ (2,766)
Balance at December 31, 2021	\$ 10,919	\$ (13,370)	\$ (2,451)
Other comprehensive income (loss), net of income tax	\$ (38,002)	\$ 17,832	\$ (20,170)
Balance at December 31, 2022	\$ (27,083)	\$ 4,462	\$ (22,621)
<b>Total MetLife, Inc.'s Stockholders' Equity</b>			
Balance at December 31, 2020	\$ 74,558	\$ —	\$ 74,558
Cumulative effects of changes in accounting principles, net of income tax	\$ —	\$ (22,424)	\$ (22,424)
Net income (loss)	\$ 6,554	\$ 301	\$ 6,855
Other comprehensive income (loss), net of income tax	\$ (7,153)	\$ 4,387	\$ (2,766)
Balance at December 31, 2021	\$ 67,482	\$ (17,736)	\$ 49,746
Net income (loss)	\$ 2,539	\$ 2,745	\$ 5,284
Other comprehensive income (loss), net of income tax	\$ (38,002)	\$ 17,832	\$ (20,170)
Balance at December 31, 2022	\$ 27,040	\$ 2,841	\$ 29,881
<b>Noncontrolling Interests</b>			
Balance at December 31, 2021	\$ 267	\$ —	\$ 267
Change in equity of noncontrolling interests	\$ (33)	\$ (1)	\$ (34)
Net income (loss)	\$ 19	\$ (1)	\$ 18
Other comprehensive income (loss), net of income tax	\$ (6)	\$ (1)	\$ (7)
Balance at December 31, 2022	\$ 247	\$ (3)	\$ 244
<b>Total Equity</b>			
Balance at December 31, 2020	\$ 74,817	\$ —	\$ 74,817
Cumulative effects of changes in accounting principles, net of income tax	\$ —	\$ (22,424)	\$ (22,424)
Net income (loss)	\$ 6,575	\$ 301	\$ 6,876
Other comprehensive income (loss), net of income tax	\$ (7,150)	\$ 4,387	\$ (2,763)
Balance at December 31, 2021	\$ 67,749	\$ (17,736)	\$ 50,013
Change in equity of noncontrolling interests	\$ (33)	\$ (1)	\$ (34)
Net income (loss)	\$ 2,558	\$ 2,744	\$ 5,302
Other comprehensive income (loss), net of income tax	\$ (38,008)	\$ 17,831	\$ (20,177)
Balance at December 31, 2022	\$ 27,287	\$ 2,838	\$ 30,125

**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)**

The following table presents the effects of the retrospective application of the adoption of the new LDTI accounting guidance to the Company's previously reported consolidated statements of cash flows:

	December 31,					
	2022			2021		
	As Previously Reported	Adoption Adjustment	Post Adoption	As Previously Reported	Adoption Adjustment	Post Adoption
	(In millions)					
<b>Cash flows from operating activities</b>						
Net income (loss)	\$ 2,558	\$ 2,744	\$ 5,302	\$ 6,575	\$ 301	\$ 6,876
Amortization of premiums and accretion of discounts associated with investments, net	\$ (960)	\$ (32)	\$ (992)	\$ (855)	\$ (19)	\$ (874)
(Gains) losses on investments and from sales of businesses, net	\$ 1,262	\$ (2)	\$ 1,260	\$ (1,529)	\$ (14)	\$ (1,543)
(Gains) losses on derivatives, net	\$ 4,317	\$ (167)	\$ 4,150	\$ 4,190	\$ 486	\$ 4,676
Interest credited to policyholder account balances	\$ 3,737	\$ 34	\$ 3,771	\$ 5,490	\$ 138	\$ 5,628
Universal life and investment-type product policy fees	\$ (3,970)	\$ 1	\$ (3,969)	\$ (3,638)	\$ (25)	\$ (3,663)
Change in premiums, reinsurance and other receivables	\$ 256	\$ 43	\$ 299	\$ 389	\$ (27)	\$ 362
Change in market risk benefits	\$ —	\$ (3,347)	\$ (3,347)	\$ —	\$ (839)	\$ (839)
Change in deferred policy acquisition costs and value of business acquired, net	\$ (568)	\$ (232)	\$ (800)	\$ (106)	\$ (602)	\$ (708)
Change in income tax	\$ (591)	\$ 789	\$ 198	\$ 598	\$ 258	\$ 856
Change in other assets	\$ 27	\$ 111	\$ 138	\$ (681)	\$ (327)	\$ (1,008)
Change in insurance-related liabilities and policy-related balances	\$ 4,058	\$ (121)	\$ 3,937	\$ 4,553	\$ 449	\$ 5,002
Change in other liabilities	\$ 341	\$ 19	\$ 360	\$ 71	\$ (3)	\$ 68
Other, net	\$ 245	\$ —	\$ 245	\$ 138	\$ (25)	\$ 113
Net cash provided by (used in) operating activities	\$ 13,204	\$ (160)	\$ 13,044	\$ 12,596	\$ (249)	\$ 12,347
<b>Cash flows from financing activities</b>						
Policyholder account balances - deposits	\$ 103,036	\$ 865	\$ 103,901	\$ 96,367	\$ 839	\$ 97,206
Policyholder account balances - withdrawals	\$ (97,886)	\$ (705)	\$ (98,591)	\$ (92,540)	\$ (590)	\$ (93,130)
Net cash provided by (used in) financing activities	\$ (10,108)	\$ 160	\$ (9,948)	\$ (1,375)	\$ 249	\$ (1,126)

## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)

***Other Adopted Accounting Pronouncements***

The table below describes the impacts of the other ASUs adopted by the Company.

Standard	Description	Effective Date and Method of Adoption	Impact on Financial Statements
ASU 2022-02, <i>Financial Instruments—Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures</i>	The amendments in the new ASU eliminate the accounting guidance for troubled debt restructurings by creditors that have adopted the current expected credit loss guidance while enhancing disclosure requirements for certain loan refinancings and restructurings by creditors when a borrower is experiencing financial difficulty. In addition, the amendments require that a public business entity disclose current-period gross write-offs by year of origination for financing receivables and net investment in leases.	January 1, 2023, the Company adopted, using a prospective approach.	The new guidance has reduced the complexity involved with evaluating and accounting for certain loan modifications. The adoption of the guidance did not have a material impact on the Company's consolidated financial statements, other than expanded disclosures in Note 11.
ASU 2020-04, <i>Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting</i> ; as clarified and amended by ASU 2021-01, <i>Reference Rate Reform (Topic 848): Scope</i> ; as amended by ASU 2022-06, <i>Reference Rate Reform (Topic 848)—Deferral of the Sunset Date of Topic 848</i>	The guidance provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships and other transactions affected by reference rate reform if certain criteria are met. The expedients and exceptions provided by the amendments do not apply to contract modifications made and hedging relationships entered into or evaluated after December 31, 2022, with certain exceptions. ASU 2021-01 amends the scope of the recent reference rate reform guidance. New optional expedients allow derivative instruments impacted by changes in the interest rate used for margining, discounting, or contract price alignment to qualify for certain optional relief. The amendments in ASU 2022-06 extend the sunset date of the reference rate reform optional expedients and exceptions to December 31, 2024.	Effective for contract modifications made between March 12, 2020 and December 31, 2024.	The guidance has reduced the operational and financial impacts of contract modifications that replace a reference rate, such as London Interbank Offered Rate ("LIBOR"), affected by reference rate reform.  Contract modifications to replace reference rates affected by the reform occurred during 2021, 2022 and 2023. The adoption of the guidance did not have a material impact on the Company's consolidated financial statements.

***Future Adoption of Accounting Pronouncements***

ASUs not listed below were assessed and either determined to be not applicable or are not expected to have a material impact on the Company's consolidated financial statements or disclosures. ASUs issued but not yet adopted as of December 31, 2023 that are currently being assessed and may or may not have a material impact on the Company's consolidated financial statements or disclosures are summarized in the table below.

## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 1. Business, Basis of Presentation and Summary of Significant Accounting Policies (continued)

Standard	Description	Effective Date and Method of Adoption	Impact on Financial Statements
ASU 2023-09, <i>Income Taxes (Topic 740): Improvements to Income Tax Disclosures</i>	Among other things, the amendments in this update require that public business entities, on an annual basis: (i) disclose specific categories in the rate reconciliation and (ii) provide additional information for reconciling items that meet a quantitative threshold. In addition, the amendments in this update require that all entities disclose on an annual basis the following information about income taxes paid: (i) the amount of income taxes paid (net of refunds received) disaggregated by federal (national), state, and foreign taxes and (ii) the amount of income taxes paid (net of refunds received) disaggregated by individual jurisdictions in which income taxes paid (net of refunds received) is equal to or greater than 5 percent of total income taxes paid (net of refunds received).	Effective for annual periods beginning January 1, 2025, to be applied prospectively with an option for retrospective application (with early adoption permitted).	The Company is evaluating the impact of the guidance on its consolidated financial statements.
ASU 2023-07, <i>Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures</i>	The amendments in the ASU are intended to improve reportable segment disclosure requirements primarily through enhanced disclosures about significant segment expenses. The key amendments include: (i) disclosures on significant segment expenses that are regularly provided to the chief operating decision maker (CODM) and included within each reported measure of segment profit or loss on an annual and interim basis; (ii) disclosures on an amount for other segment items by reportable segment and a description of its composition on an annual and interim basis. The other segment items category is the difference between segment revenue less the significant expenses disclosed and each reported measure of segment profit or loss; (iii) providing all annual disclosures on a reportable segment's profit or loss and assets currently required by FASB ASC Topic 280, <i>Segment Reporting</i> in interim periods; and (iv) specifying the title and position of the CODM.	Effective for annual periods beginning January 1, 2024 and interim periods beginning January 1, 2025, to be applied on a retrospective basis unless it is impracticable (with early adoption permitted).	The Company is evaluating the impact of the guidance on its annual disclosures to be included in its 2024 consolidated financial statements and interim condensed consolidated financial statements to be issued thereafter.
ASU 2023-02, <i>Investments—Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method</i>	The amendments in this update permit reporting entities to elect to account for their tax equity investments, regardless of the tax credit program from which the income tax credits are received, using the proportional amortization method if certain conditions are met. In addition, disclosures describing the nature of the investments and related income tax credits and benefits will be required.	January 1, 2024, to be applied on either a modified retrospective or a retrospective basis subject to certain exceptions (with early adoption permitted).	Effective January 1, 2024, the Company will elect to account for its tax equity investments using the proportional amortization method if certain criteria are met. The adoption of the proportional amortization method will be applied on a modified retrospective basis and the Company estimates that the January 1, 2024 transition date impact from adoption will result in a decrease to total equity not to exceed \$250 million, net of income tax.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****2. Segment Information**

In the fourth quarter of 2023, MetLife reorganized from five segments into the following six segments to reflect changes in management's responsibilities: Group Benefits, RIS, Asia, Latin America, EMEA and MetLife Holdings. The Group Benefits and RIS businesses were previously reported as the U.S. segment. These changes were applied retrospectively and did not have an impact on prior period total consolidated net income (loss) or adjusted earnings. In addition, the Company continues to report certain of its results of operations in Corporate & Other.

***Group Benefits***

The Group Benefits segment, based in the U.S., offers a broad range of products to corporations and their respective employees, other institutions and their respective members, as well as individuals. These products include term, variable and universal life insurance, dental, group and individual disability, vision and accident & health insurance.

***RIS***

The RIS segment, based in the U.S., offers a broad range of life and annuity-based insurance and investment products to corporations and their respective employees, other institutions and their respective members, as well as individuals. These products include stable value and pension risk transfer products, institutional income annuities, structured settlements, longevity reinsurance solutions, benefit funding solutions and capital markets investment products.

***Asia***

The Asia segment offers a broad range of products and services to both individuals and corporations, as well as to other institutions, and their respective employees, which include life insurance, accident & health insurance and retirement and savings.

***Latin America***

The Latin America segment offers a broad range of products to both individuals and corporations, as well as to other institutions, and their respective employees, which include life insurance, retirement and savings, accident & health insurance and credit insurance.

***EMEA***

The EMEA segment offers products to individuals, corporations, other institutions, and their respective employees, which include life insurance, retirement and savings, accident & health insurance and credit insurance.

***MetLife Holdings***

The MetLife Holdings segment consists of operations relating to products and businesses that the Company no longer actively markets in the United States. These include variable, universal, term and whole life insurance, variable, fixed and index-linked annuities and long-term care insurance. It also includes an in-force block of assumed variable annuity guarantees from a third party.

***Corporate & Other***

Corporate & Other contains various start-up, developing and run-off businesses. Also included in Corporate & Other are: the excess capital, as well as certain charges and activities, not allocated to the segments (including external integration and disposition costs, internal resource costs for associates committed to acquisitions and dispositions and enterprise-wide strategic initiatives), interest expense related to the majority of the Company's outstanding debt, expenses associated with certain legal proceedings and income tax audit issues, the elimination of intersegment amounts (which generally relate to investment expenses and intersegment loans bearing interest rates commensurate with related borrowings), and the Company's investment management business (through which the Company provides public fixed income, private capital and real estate investment solutions to institutional investors worldwide).



**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****2. Segment Information (continued)*****Financial Measures and Segment Accounting Policies***

Adjusted earnings is used by management to evaluate performance and allocate resources. Consistent with GAAP guidance for segment reporting, adjusted earnings is also the Company's GAAP measure of segment performance and is reported below. Adjusted earnings should not be viewed as a substitute for net income (loss). The Company believes the presentation of adjusted earnings, as the Company measures it for management purposes, enhances the understanding of its performance by highlighting the results of operations and the underlying profitability drivers of the business.

The adoption of LDTI impacted the Company's calculation of adjusted earnings. With the adoption of LDTI, the measurement model was simplified for DAC and VOBA, and most embedded derivatives were reclassified as MRBs. As a result, the Company updated its calculation of adjusted earnings to remove certain adjustments related to the amortization of DAC, VOBA and related intangibles and adjusted for changes in measurement of certain guarantees. Under LDTI, adjusted earnings excludes changes in fair value associated with MRBs, changes in discount rates on certain annuitization guarantees, losses at contract inception for certain single premium business, and asymmetrical accounting associated with in-force reinsurance. All periods presented herein reflect the updated calculation of adjusted earnings.

Adjusted earnings is defined as adjusted revenues less adjusted expenses, net of income tax.

These financial measures focus on the Company's primary businesses principally by excluding the impact of (i) market volatility which could distort trends, (ii) asymmetrical and non-economic accounting, and (iii) revenues and costs related to divested businesses, non-core products and certain entities required to be consolidated under GAAP. Also, these measures exclude results of discontinued operations under GAAP.

Market volatility can have a significant impact on the Company's financial results. Adjusted earnings excludes net investment gains (losses), net derivative gains (losses), MRB remeasurement gains (losses) and goodwill impairments. Further, policyholder benefits and claims exclude (i) changes in the discount rate on certain annuitization guarantees accounted for as additional liabilities and (ii) market value adjustments.

Asymmetrical and non-economic accounting adjustments are made to the line items indicated in calculating adjusted earnings:

- Net investment income includes earned income on derivatives and amortization of premium on derivatives that are hedges of investments or that are used to replicate certain investments, but do not qualify for hedge accounting treatment.
- Other revenues include settlements of foreign currency earnings hedges and exclude asymmetrical accounting associated with in-force reinsurance.
- Policyholder benefits and claims excludes (i) amortization of basis adjustments associated with de-designated fair value hedges of future policy benefits, (ii) inflation-indexed benefit adjustments associated with contracts backed by inflation-indexed investments, (iii) asymmetrical accounting associated with in-force reinsurance, and (iv) non-economic losses incurred at contract inception for certain single premium annuity business. These losses are amortized into adjusted earnings within policyholder benefits and claims over the estimated lives of the contracts.
- Interest credited to PABs excludes amounts associated with periodic crediting rate adjustments based on the total return of a contractually referenced pool of assets and other pass-through adjustments and asymmetrical accounting associated with in-force reinsurance.

Divested businesses are those that have been or will be sold or exited by MetLife but do not meet the discontinued operations criteria under GAAP. Divested businesses also include the net impact of transactions with exited businesses that have been eliminated in consolidation under GAAP and costs relating to businesses that have been or will be sold or exited by MetLife that do not meet the criteria to be included in results of discontinued operations under GAAP.

Other adjustments are made to the line items indicated in calculating adjusted earnings:

- Net investment income and interest credited to PABs excludes certain amounts related to contractholder-directed equity securities.
- Other revenues include fee revenue on synthetic guaranteed interest contracts ("GICs") accounted for as freestanding derivatives.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****2. Segment Information (continued)**

- Other revenues exclude and other expenses include fees received in connection with services provided under transition service agreements.
- Other expenses exclude (i) implementation of new insurance regulatory requirements and other costs, and (ii) acquisition, integration and other related costs. Other expenses include (i) deductions for net income attributable to noncontrolling interests, and (ii) benefits accrued on synthetic GICs accounted for as freestanding derivatives.

Adjusted earnings also excludes the recognition of certain contingent assets and liabilities that could not be recognized at acquisition or adjusted for during the measurement period under GAAP business combination accounting guidance.

The tax impact of the adjustments mentioned above are calculated net of the U.S. or foreign statutory tax rate, which could differ from the Company's effective tax rate. Additionally, the provision for income tax (expense) benefit also includes the impact related to the timing of certain tax credits, as well as certain tax reforms.

Set forth in the tables below is certain financial information with respect to the Company's segments, as well as Corporate & Other, for the years ended December 31, 2023, 2022 and 2021 and at December 31, 2023 and 2022. The segment accounting policies are the same as those used to prepare the Company's consolidated financial statements, except for adjusted earnings adjustments as defined above. In addition, segment accounting policies include the method of capital allocation described below.

Economic capital is an internally developed risk capital model, the purpose of which is to measure the risk in the business and to provide a basis upon which capital is deployed. The economic capital model accounts for the unique and specific nature of the risks inherent in the Company's business.

The Company's economic capital model, coupled with considerations of local capital requirements, aligns segment allocated equity with emerging standards and consistent risk principles. The model applies statistics-based risk evaluation principles to the material risks to which the Company is exposed. These consistent risk principles include calibrating required economic capital shock factors to a specific confidence level and time horizon while applying an industry standard method for the inclusion of diversification benefits among risk types. The Company's management is responsible for the ongoing production and enhancement of the economic capital model and reviews its approach periodically to ensure that it remains consistent with emerging industry practice standards. The adoption of LDIT resulted in changes to the economic capital model. The changes related to this adoption do not represent a change in the composition of the segments and, in accordance with GAAP guidance for segment reporting, the Company will apply the changes to the economic capital model prospectively and did not update the economic model for 2022 and 2021.

Segment net investment income is credited or charged based on the level of allocated equity; however, changes in allocated equity do not impact the Company's consolidated net investment income, net income (loss) or adjusted earnings.

Net investment income is based upon the actual results of each segment's specifically identifiable investment portfolios adjusted for allocated equity. With the adoption of LDIT, net investment income was reallocated for certain segments to reflect the impact of the change to certain liability balances, with no impact to consolidated net investment income. Other costs are allocated to each of the segments based upon: (i) a review of the nature of such costs; (ii) time studies analyzing the amount of employee compensation costs incurred by each segment; and (iii) cost estimates included in the Company's product pricing.

**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**2. Segment Information (continued)**

Year Ended December 31, 2023	Group Benefits	RIS	Asia	Latin America	EMEA	MetLife Holdings	Corporate & Other	Total	Adjustments	Total Consolidated
(In millions)										
<b>Revenues</b>										
Premiums	\$ 21,558	\$ 8,248	\$ 5,251	\$ 4,287	\$ 2,016	\$ 2,881	\$ 42	\$ 44,283	\$ —	\$ 44,283
Universal life and investment-type product policy fees	878	313	1,632	1,398	298	632	1	5,152	—	5,152
Net investment income (1)	1,301	7,803	3,957	1,644	197	4,494	353	19,749	159	19,908
Other revenues	1,493	271	86	42	32	195	412	2,531	(5)	2,526
Net investment gains (losses)	—	—	—	—	—	—	—	—	(2,824)	(2,824)
Net derivative gains (losses)	—	—	—	—	—	—	—	—	(2,140)	(2,140)
Total revenues	<u>25,230</u>	<u>16,635</u>	<u>10,926</u>	<u>7,371</u>	<u>2,543</u>	<u>8,202</u>	<u>808</u>	<u>71,715</u>	<u>(4,810)</u>	<u>66,905</u>
<b>Expenses</b>										
Policyholder benefits and claims and policyholder dividends	19,164	11,269	4,333	4,094	984	5,350	23	45,217	(5)	45,212
Policyholder liability remeasurement (gains) losses	(28)	(131)	105	(25)	(3)	37	—	(45)	—	(45)
Market risk benefit remeasurement (gains) losses	—	—	—	—	—	—	—	—	(994)	(994)
Interest credited to policyholder account balances	193	2,887	2,301	426	72	730	—	6,609	1,251	7,860
Capitalization of DAC	(20)	(176)	(1,583)	(651)	(457)	(22)	(8)	(2,917)	—	(2,917)
Amortization of DAC and VOBA	26	49	794	468	348	258	9	1,952	—	1,952
Amortization of negative VOBA	—	—	(22)	—	(4)	—	—	(26)	—	(26)
Interest expense on debt	2	14	—	11	—	13	1,005	1,045	—	1,045
Other expenses	3,796	565	3,158	1,911	1,260	927	946	12,563	93	12,656
Total expenses	<u>23,133</u>	<u>14,477</u>	<u>9,086</u>	<u>6,234</u>	<u>2,200</u>	<u>7,293</u>	<u>1,975</u>	<u>64,398</u>	<u>345</u>	<u>64,743</u>
Provision for income tax expense (benefit)	442	450	558	297	78	176	(407)	1,594	(1,034)	560
Adjusted earnings	<u>\$ 1,655</u>	<u>\$ 1,708</u>	<u>\$ 1,282</u>	<u>\$ 840</u>	<u>\$ 265</u>	<u>\$ 733</u>	<u>\$ (760)</u>	<u>5,723</u>		
Adjustments to:										
Total revenues								(4,810)		
Total expenses								(345)		
Provision for income tax (expense) benefit								1,034		
Net income (loss)								<u>\$ 1,602</u>		<u>\$ 1,602</u>
<b>At December 31, 2023</b>										
	Group Benefits	RIS	Asia	Latin America	EMEA	MetLife Holdings	Corporate & Other	Total		
(In millions)										
Total assets (1),(2)	\$ 36,715	\$ 218,587	\$ 157,206	\$ 69,177	\$ 18,596	\$ 148,524	\$ 38,779	\$ 687,584		
Separate account assets	\$ 1,159	\$ 53,093	\$ 9,187	\$ 41,320	\$ 4,327	\$ 35,548	\$ —	\$ 144,634		
Separate account liabilities	\$ 1,159	\$ 53,093	\$ 9,187	\$ 41,320	\$ 4,327	\$ 35,548	\$ —	\$ 144,634		

- (1) Net investment income from equity method invested assets represents 0%, 1%, 4%, 1% and 2% of segment net investment income, and equity method invested assets represent 1%, 3%, 6%, 0% and 4% of segment total assets for the Group Benefits, RIS, Asia, Latin America and MetLife Holdings segments, respectively.
- (2) Asia segment total assets includes \$132.2 billion of assets from the Company's Japan operations which represents 19% of Company total assets.

**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**2. Segment Information (continued)**

Year Ended December 31, 2022	Group Benefits	RIS	Asia	Latin America	EMEA	MetLife Holdings	Corporate & Other	Total	Adjustments	Total Consolidated
(In millions)										
<b>Revenues</b>										
Premiums	\$ 21,051	\$ 13,619	\$ 5,563	\$ 3,224	\$ 1,962	\$ 3,066	\$ (16)	\$ 48,469	\$ 41	\$ 48,510
Universal life and investment-type product policy fees	855	303	1,693	1,175	284	902	2	5,214	11	5,225
Net investment income (1)	1,136	6,204	3,909	1,593	160	4,914	273	18,189	(2,273)	15,916
Other revenues	1,360	392	90	39	35	155	396	2,467	163	2,630
Net investment gains (losses)	—	—	—	—	—	—	—	—	(1,260)	(1,260)
Net derivative gains (losses)	—	—	—	—	—	—	—	—	(2,251)	(2,251)
Total revenues	<u>24,402</u>	<u>20,518</u>	<u>11,255</u>	<u>6,031</u>	<u>2,441</u>	<u>9,037</u>	<u>655</u>	<u>74,339</u>	<u>(5,569)</u>	<u>68,770</u>
<b>Expenses</b>										
Policyholder benefits and claims and policyholder dividends	19,076	16,163	4,564	3,320	976	5,636	(6)	49,729	484	50,213
Policyholder liability remeasurement (gains) losses	7	(36)	69	(21)	(6)	101	—	114	—	114
Market risk benefit remeasurement (gains) losses	—	—	—	—	—	—	—	—	(3,674)	(3,674)
Interest credited to policyholder account balances	143	1,914	2,003	335	71	813	—	5,279	(1,385)	3,894
Capitalization of DAC	(18)	(113)	(1,530)	(494)	(411)	(29)	(8)	(2,603)	(11)	(2,614)
Amortization of DAC and VOBA	26	40	745	410	323	270	9	1,823	8	1,831
Amortization of negative VOBA	—	—	(24)	—	(5)	—	—	(29)	—	(29)
Interest expense on debt	1	8	—	12	—	8	909	938	—	938
Other expenses	3,478	484	3,153	1,520	1,171	953	709	11,468	265	11,733
Total expenses	<u>22,713</u>	<u>18,460</u>	<u>8,980</u>	<u>5,082</u>	<u>2,119</u>	<u>7,752</u>	<u>1,613</u>	<u>66,719</u>	<u>(4,313)</u>	<u>62,406</u>
Provision for income tax expense (benefit)	357	423	658	220	73	254	(343)	1,642	(580)	1,062
Adjusted earnings	<u>\$ 1,332</u>	<u>\$ 1,635</u>	<u>\$ 1,617</u>	<u>\$ 729</u>	<u>\$ 249</u>	<u>\$ 1,031</u>	<u>\$ (615)</u>	<u>5,978</u>		
Adjustments to:										
Total revenues								(5,569)		
Total expenses								4,313		
Provision for income tax (expense) benefit								580		
Net income (loss)								<u>\$ 5,302</u>		<u>\$ 5,302</u>
<b>At December 31, 2022</b>										
	Group Benefits	RIS	Asia	Latin America	EMEA	MetLife Holdings	Corporate & Other	Total		
(In millions)										
Total assets (2)	\$ 35,849	\$ 216,370	\$ 148,305	\$ 63,687	\$ 16,860	\$ 148,749	\$ 33,252	\$ 663,072		
Separate account assets	\$ 990	\$ 60,040	\$ 8,292	\$ 39,428	\$ 3,314	\$ 33,974	\$ —	\$ 146,038		
Separate account liabilities	\$ 990	\$ 60,040	\$ 8,292	\$ 39,428	\$ 3,314	\$ 33,974	\$ —	\$ 146,038		

- (1) Net investment income from equity method invested assets represents 1%, 6%, 12%, 3% and 6% of segment net investment income for the Group Benefits, RIS, Asia, Latin America and MetLife Holdings segments, respectively.
- (2) Asia segment total assets includes \$125.1 billion of assets from the Company's Japan operations which represents 19% of Company total assets.

**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**2. Segment Information (continued)**

Year Ended December 31, 2021	Group Benefits	RIS	Asia	Latin America	EMEA	MetLife Holdings	Corporate & Other	Total	Adjustments	Total Consolidated
(In millions)										
<b>Revenues</b>										
Premiums	\$ 20,475	\$ 5,023	\$ 6,421	\$ 2,609	\$ 2,274	\$ 3,333	\$ 35	\$ 40,170	\$ 982	\$ 41,152
Universal life and investment-type product policy fees	829	311	1,626	1,140	387	923	2	5,218	26	5,244
Net investment income (1)	1,160	6,888	5,052	1,271	215	6,385	309	21,280	115	21,395
Other revenues	1,239	299	73	41	47	257	420	2,376	243	2,619
Net investment gains (losses)	—	—	—	—	—	—	—	—	1,543	1,543
Net derivative gains (losses)	—	—	—	—	—	—	—	—	(3,257)	(3,257)
Total revenues	23,703	12,521	13,172	5,061	2,923	10,898	766	69,044	(348)	68,696
<b>Expenses</b>										
Policyholder benefits and claims and policyholder dividends	19,807	7,330	5,251	3,155	1,196	6,118	34	42,891	1,107	43,998
Policyholder liability remeasurement (gains) losses	(5)	(31)	(152)	(33)	32	16	—	(173)	1	(172)
Market risk benefit remeasurement (gains) losses	—	—	—	—	—	—	—	—	(1,237)	(1,237)
Interest credited to policyholder account balances	127	1,550	1,994	249	86	840	—	4,846	725	5,571
Capitalization of DAC	(19)	(95)	(1,601)	(406)	(469)	(31)	(11)	(2,632)	(119)	(2,751)
Amortization of DAC and VOBA	26	37	786	372	361	320	9	1,911	126	2,037
Amortization of negative VOBA	—	—	(28)	—	(7)	—	—	(35)	—	(35)
Interest expense on debt	1	6	—	5	—	5	902	919	1	920
Other expenses	3,177	455	3,388	1,385	1,324	992	562	11,283	564	11,847
Total expenses	23,114	9,252	9,638	4,727	2,523	8,260	1,496	59,010	1,168	60,178
Provision for income tax expense (benefit)	126	678	1,017	60	94	535	(574)	1,936	(294)	1,642
Adjusted earnings	\$ 463	\$ 2,591	\$ 2,517	\$ 274	\$ 306	\$ 2,103	\$ (156)	8,098		
Adjustments to:										
Total revenues								(348)		
Total expenses								(1,168)		
Provision for income tax (expense) benefit								294		
Net income (loss)								\$ 6,876		\$ 6,876

- (1) Net investment income from equity method invested assets represents 5%, 26%, 30%, 7% and 26% of segment net investment income for the Group Benefits, RIS, Asia, Latin America and MetLife Holdings segments, respectively.

**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**2. Segment Information (continued)**

The following table presents total premiums, universal life and investment-type product policy fees and other revenues by major product groups of the Company’s segments, as well as Corporate & Other:

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Life insurance	\$ 22,111	\$ 21,728	\$ 22,742
Accident & health insurance	18,014	17,441	17,367
Annuities	10,193	15,657	6,394
Other	1,643	1,539	2,512
Total	<u>\$ 51,961</u>	<u>\$ 56,365</u>	<u>\$ 49,015</u>

The following table presents total premiums, universal life and investment-type product policy fees and other revenues associated with the Company’s U.S. and foreign operations:

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
U.S.	\$ 36,869	\$ 42,250	\$ 34,191
Japan	5,020	5,460	6,183
Other	10,072	8,655	8,641
Total	<u>\$ 51,961</u>	<u>\$ 56,365</u>	<u>\$ 49,015</u>

Revenues derived from one RIS customer were \$8.1 billion for the year ended December 31, 2022, which represented 14% of consolidated premiums, universal life and investment-type product policy fees and other revenues. The revenue was from a single premium received for a pension risk transfer. Revenues derived from any single customer did not exceed 10% of consolidated premiums, universal life and investment-type product policy fees and other revenues for the years ended December 31, 2023 or 2021.

**3. Dispositions**
***Pending Disposition of MetLife Malaysia***

In October 2023, the Company entered into an agreement to sell its ownership interests in AmMetLife Insurance Berhad (Malaysia) and AmMetLife Takaful Berhad (Malaysia) (collectively, “MetLife Malaysia”), each an operating joint venture accounted for under the equity method and recorded to other invested assets. In connection with the anticipated disposal, an expected impairment loss of \$136 million, net of income tax, was recorded for the year ended December 31, 2023, and is reflected in net investment gains (losses). MetLife Malaysia’s results are reported in the Asia segment’s adjusted earnings. The transaction is expected to close in 2024 and is subject to regulatory approvals and satisfaction of other closing conditions.

***Disposition of MetLife Seguros S.A.***

In September 2021, the Company sold its wholly-owned Argentinian subsidiary, MetLife Seguros S.A. (“MetLife Seguros”). In connection with the sale, a loss of \$205 million, net of income tax, was recorded for the year ended December 31, 2021, which is reflected in net investment gains (losses). MetLife Seguros results of operations are reported in the Latin America segment adjusted earnings through the date of sale.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****3. Dispositions (continued)****Disposition of MetLife Poland and Greece**

In July 2021, the Company entered into definitive agreements to sell its wholly-owned subsidiaries in Poland and Greece (collectively, “MetLife Poland and Greece”) to NN Group N.V. for \$738 million in total consideration, including a pre-closing dividend of \$43 million. In January 2022 and April 2022, the Company completed the sales of its wholly-owned subsidiaries in Greece and Poland, respectively. In connection with the sales, a loss of \$25 million, net of income tax, was recorded for the year ended December 31, 2022, which was reflected in net investment gains (losses) and resulted in a total loss on the sales of \$239 million, net of income tax. MetLife Poland and Greece results of operations are reported in the EMEA segment adjusted earnings through June 30, 2021. See Note 2 for information on accounting for divested business.

MetLife Poland and Greece income (loss) before provision for income tax as reflected in the consolidated statements of operations was \$19 million and \$50 million for the years ended December 31, 2022 and 2021, respectively.

**Disposition of Metropolitan Property and Casualty Insurance Company**

In December 2020, the Company entered into a definitive agreement to sell its wholly-owned subsidiary, Metropolitan Property and Casualty Insurance Company and certain of its wholly-owned subsidiaries (collectively, “MetLife P&C”) to Farmers Group, Inc. for \$3.9 billion. In addition, the Company and the Farmers Exchanges have established a 10-year strategic partnership through which the Farmers Insurance Group will offer its personal line products on MetLife’s Group Benefits platform which commenced when the transaction closed. In April 2021, the Company completed the sale of MetLife P&C. As a result of the sale, the Company recognized a gain of \$1.4 billion (\$1.0 billion, net of income tax) in net investment gains (losses) for the year ended December 31, 2021, which includes customary purchase price adjustments recorded after the date of sale.

MetLife P&C income (loss) before provision for income tax as reflected in the consolidated statement of operation was \$121 million for the year ended December 31, 2021.

**4. Future Policy Benefits**

The Company establishes liabilities for amounts payable under insurance policies. These liabilities are comprised of traditional and limited-payment contracts and associated DPLs, additional insurance liabilities, participating life and short-duration contracts.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**4. Future Policy Benefits (continued)**

The LDTI transition adjustments related to traditional and limited-payment contracts, DPLs, and additional insurance liabilities, as well as the associated ceded recoverables, as described in Note 1, were as follows at the Transition Date:

	RIS Annuities	Asia Whole and Term Life & Endowments	Asia Accident & Health	Latin America Fixed Annuities	MetLife Holdings Long-Term Care	MetLife Holdings Participating Life	Other Long- Duration	Short- Duration and Other	Total
(In millions)									
Balance, future policy benefits, at December 31, 2020	\$ 66,030	\$ 17,990	\$ 16,330	\$ 8,393	\$ 14,281	\$ 51,148	\$ 19,128	\$ 13,356	\$ 206,656
Removal of additional insurance liabilities for separate presentation (1)	(4)	—	—	—	—	—	(6,561)	—	(6,565)
Subtotal - pre-adoption balance, excluding additional liabilities	66,026	17,990	16,330	8,393	14,281	51,148	12,567	13,356	200,091
Removal of related amounts in AOCI	(5,914)	—	—	(295)	(1,210)	—	(492)	—	(7,911)
Reclassification of carrying amounts of contracts and contract features that are market risk benefits	—	—	—	—	—	—	(176)	—	(176)
Adjustment of future policy benefits to remeasure cohorts where net premiums exceed gross premiums under the modified retrospective approach	337	51	154	121	—	—	56	—	719
Effect of remeasurement of future policy benefits to an upper-medium grade discount rate	15,834	4,386	285	2,869	8,270	—	2,475	—	34,119
Other balance sheet reclassifications and adjustments upon adoption of the LDTI standard	(7,416)	4	47	(1)	—	—	(124)	—	(7,490)
Removal of remeasured deferred profit liabilities for separate presentation (1)	(2,897)	(225)	(691)	(570)	—	—	(275)	—	(4,658)
Balance, traditional and limited-payment contracts, at January 1, 2021	<u>\$ 65,970</u>	<u>\$ 22,206</u>	<u>\$ 16,125</u>	<u>\$ 10,517</u>	<u>\$ 21,341</u>	<u>\$ 51,148</u>	<u>\$ 14,031</u>	<u>\$ 13,356</u>	<u>\$ 214,694</u>
Balance, deferred profit liabilities at January 1, 2021	<u>\$ 2,897</u>	<u>\$ 225</u>	<u>\$ 691</u>	<u>\$ 570</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 275</u>	<u>\$ —</u>	<u>\$ 4,658</u>
Balance, ceded recoverables on traditional and limited-payment contracts at December 31, 2020	\$ 203	\$ —	\$ 32	\$ —	\$ —	\$ —	\$ 1,052	\$ —	\$ 1,287
Effect of remeasurement of the ceded recoverable to an upper-medium grade discount rate	135	(15)	(66)	—	—	—	297	—	351
Adjustments for loss contracts (with net premiums in excess of gross premiums) under the modified retrospective approach	—	—	—	—	—	—	32	—	32
Adjustments for the cumulative effect of adoption on ceded recoverables on traditional and limited-payment contract	6	—	(2)	—	—	—	10	—	14
Balance ceded recoverables on traditional and limited-payment contracts at January 1, 2021	<u>\$ 344</u>	<u>\$ (15)</u>	<u>\$ (36)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,391</u>	<u>\$ —</u>	<u>\$ 1,684</u>

(1) LDTI requires separate disaggregated rollforwards of the additional insurance liabilities balance and the traditional and limited-payment FPBs. Therefore, the additional insurance liabilities and DPL amounts that are recorded in the FPB financial statement line item are removed to derive the opening balance of traditional and limited-payment contracts at the Transition Date.



**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**4. Future Policy Benefits (continued)**

	Asia Variable Life	Asia Universal and Variable Universal Life	MetLife Holdings Universal and Variable Universal Life	Other Long-Duration	Total
	(In millions)				
Additional insurance liabilities at December 31, 2020	\$ 1,824	\$ 788	\$ 1,976	\$ 1,977	\$ 6,565
Reclassification of carrying amounts of contracts and contract features that are market risk benefits	—	—	—	(1,642)	(1,642)
Adjustments for the cumulative effect of adoption on additional insurance liabilities	—	—	38	45	83
Additional insurance liabilities at January 1, 2021	<u>\$ 1,824</u>	<u>\$ 788</u>	<u>\$ 2,014</u>	<u>\$ 380</u>	<u>\$ 5,006</u>
Ceded recoverables on additional insurance liabilities at December 31, 2020	\$ —	\$ —	\$ 719	\$ 8	\$ 727
Reclassification of carrying amounts of contracts and contract features that are reinsured market risk benefits	—	—	—	(8)	(8)
Adjustments for the cumulative effect of adoption on ceded recoverables on additional insurance liabilities	—	—	1	—	1
Ceded recoverables on additional insurance liabilities at January 1, 2021	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 720</u>	<u>\$ —</u>	<u>\$ 720</u>
Balance, traditional and limited-payment contracts, at January 1, 2021					\$ 214,694
Balance, deferred profit liabilities at January 1, 2021					4,658
Balance, additional insurance liabilities at January 1, 2021					5,006
Total future policy benefits at January 1, 2021					<u>\$ 224,358</u>

The Company's future policy benefits on the consolidated balance sheets was as follows at:

	December 31,	
	2023	2022
	(In millions)	
<b>Traditional and Limited-Payment Contracts:</b>		
RIS - Annuities	\$ 64,324	\$ 58,495
<b>Asia:</b>		
Whole and term life & endowments	12,874	12,792
Accident & health	10,712	10,040
Latin America - Fixed annuities	9,637	9,265
MetLife Holdings - Long-term care	15,240	13,845
<b>Deferred Profit Liabilities:</b>		
RIS - Annuities	3,697	3,327
<b>Asia:</b>		
Whole and term life & endowments	654	510
Accident & health	830	760
Latin America - Fixed annuities	562	560
<b>Additional Insurance Liabilities:</b>		
<b>Asia:</b>		
Variable life	1,258	1,381
Universal and variable universal life	424	455
MetLife Holdings - Universal and variable universal life	2,362	2,156
MetLife Holdings - Participating life	49,543	50,371
Other long-duration (1)	11,099	10,101
Short-duration and other	13,190	13,164
Total	<u>\$ 196,406</u>	<u>\$ 187,222</u>

(1) This balance represents liabilities for various smaller product lines across multiple segments, as well as Corporate & Other.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

4. Future Policy Benefits (continued)

*Rollforwards - Traditional and Limited-Payment Contracts*

The following information about the direct and assumed liability for future policy benefits includes disaggregated rollforwards of expected future net premiums and expected future benefits. The products grouped within these rollforwards were selected based upon common characteristics and valuations using similar inputs, judgments, assumptions and methodologies within a particular segment of the business. The adjusted balance in each disaggregated rollforward reflects the remeasurement (gains) losses. All amounts presented in the rollforwards and accompanying financial information do not include a reduction for amounts ceded to reinsurers, except with respect to ending net liability for future policy benefits balances where applicable. See Note 9 for further information regarding the impact of reinsurance on the consolidated balance sheets and the consolidated statements of operations.

***RIS - Annuities***

The RIS segment's annuity products include pension risk transfers, certain structured settlements and certain institutional income annuities, which are mainly single premium spread-based products. Information regarding these products was as follows:

	Years Ended December 31,		
	2023	2022	2021
(Dollars in millions)			
<b>Present Value of Expected Net Premiums</b>			
Balance at January 1, at current discount rate at balance sheet date	\$ —	\$ —	\$ —
Balance at January 1, at original discount rate	\$ —	\$ —	\$ —
Effect of changes in cash flow assumptions (1)	—	—	—
Effect of actual variances from expected experience (2)	(106)	(94)	(60)
Adjusted balance	(106)	(94)	(60)
Issuances	6,572	12,672	3,995
Net premiums collected	(6,466)	(12,578)	(3,935)
Balance at December 31, at original discount rate	—	—	—
Balance at December 31, at current discount rate at balance sheet date	\$ —	\$ —	\$ —
<b>Present Value of Expected Future Policy Benefits</b>			
Balance at January 1, at current discount rate at balance sheet date	\$ 58,695	\$ 62,954	\$ 64,896
Balance at January 1, at original discount rate	\$ 61,426	\$ 50,890	\$ 49,061
Effect of changes in cash flow assumptions (1)	(284)	(115)	(130)
Effect of actual variances from expected experience (2)	(270)	(175)	(270)
Adjusted balance	60,872	50,600	48,661
Issuances	6,588	12,770	4,060
Interest accrual	2,897	2,519	2,336
Benefit payments	(5,620)	(4,463)	(4,167)
Balance at December 31, at original discount rate	64,737	61,426	50,890
Effect of changes in discount rate assumptions	(222)	(2,731)	12,064
Balance at December 31, at current discount rate at balance sheet date	64,515	58,695	62,954
Cumulative amount of fair value hedging adjustments	(191)	(200)	727
Net liability for future policy benefits	64,324	58,495	63,681
Less: Reinsurance recoverables	269	—	312
Net liability for future policy benefits, net of reinsurance	\$ 64,055	\$ 58,495	\$ 63,369
Undiscounted - Expected future benefit payments	\$ 130,878	\$ 113,932	\$ 96,623
Discounted - Expected future benefit payments (at current discount rate at balance sheet date)	\$ 64,515	\$ 58,695	\$ 62,954
Weighted-average duration of the liability	9 years	9 years	12 years
Weighted-average interest accretion (original locked-in) rate	4.7 %	4.6 %	4.8 %
Weighted-average current discount rate at balance sheet date	5.1 %	5.5 %	2.9 %

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**4. Future Policy Benefits (continued)**

- (1) For the years ended December 31, 2023 and 2021, the net effect of changes in cash flow assumptions was largely offset by the corresponding impact in DPL associated with the RIS segment's annuity products of \$211 million and \$112 million, respectively. For the year ended December 31, 2022, the net effect of changes in cash flow assumptions was more than offset by the corresponding impact in DPL associated with the RIS segment's annuity products of \$128 million.
- (2) For the year ended December 31, 2023, the net effect of actual variances from expected experience was largely offset by the corresponding impact in DPL associated with the RIS segment's annuity products of \$118 million. For the year ended December 31, 2022, the net effect of actual variances from expected experience was partially offset by the corresponding impact in DPL associated with the RIS segment's annuity products of \$46 million. For the year ended December 31, 2021, the net effect of actual variances from expected experience was substantially offset by the corresponding impact in DPL associated with the RIS segment's annuity products of \$197 million.

*Significant Methodologies and Assumptions*

The principal inputs used in the establishment of the FPB for the RIS segment's annuity products include actual premiums, actual benefits, in-force data, locked-in claim-related expense, the locked-in interest accretion rate, the current upper-medium grade discount rate at the balance sheet date and best estimate mortality assumptions.

For each of the years ended December 31, 2023, 2022 and 2021, the net effect of changes in cash flow assumptions was primarily driven by updates in biometric assumptions related to mortality.

For the year ended December 31, 2023, the net effect of actual variances from expected experience was primarily driven by favorable mortality and model refinements. For the years ended December 31, 2022 and 2021, the net effect of actual variances from expected experience was primarily driven by favorable mortality.

When single premium annuity contracts are issued, the FPB reserve is required to be measured at an upper-medium grade discount rate. Due to differences between the upper-medium grade discount rate and pricing assumptions used to determine the contractual premium, the initial FPB reserve at issue for a particular cohort may be greater than the contractual premium received, and the difference must be recognized as an immediate loss at issue. On these cohorts, future experience that differs from expected experience and changes in cash flow assumptions result in the recognition of remeasurement gains and losses with net remeasurement gains limited to the amount of the original loss at issue, after which any favorable experience is deferred and recorded within the DPL. For the year ended December 31, 2022, the Company incurred a loss at issue of \$99 million and recognized a net remeasurement loss of \$31 million attributable to cohorts with no DPL or where the DPL was depleted during the year.

**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**4. Future Policy Benefits (continued)**
***Asia***
***Whole and Term Life & Endowments***

The Asia segment's whole and term life & endowment products in Japan and Korea offer various life insurance coverages to customers. Information regarding these products was as follows:

	Years Ended December 31,		
	2023	2022	2021
(Dollars in millions)			
<b>Present Value of Expected Net Premiums</b>			
Balance at January 1, at current discount rate at balance sheet date	\$ 4,682	\$ 5,986	\$ 7,396
Balance at January 1, at original discount rate	\$ 4,943	\$ 5,881	\$ 7,243
Effect of changes in cash flow assumptions (1)	11	69	(60)
Effect of actual variances from expected experience (2)	(62)	28	(80)
Adjusted balance	4,892	5,978	7,103
Issuances	730	231	208
Interest accrual	59	44	51
Net premiums collected	(611)	(615)	(777)
Effect of foreign currency translation	(277)	(695)	(704)
Balance at December 31, at original discount rate	4,793	4,943	5,881
Effect of changes in discount rate assumptions	(242)	(247)	117
Effect of foreign currency translation on the effect of changes in discount rate assumptions	10	(14)	(12)
Balance at December 31, at current discount rate at balance sheet date	\$ 4,561	\$ 4,682	\$ 5,986
<b>Present Value of Expected Future Policy Benefits</b>			
Balance at January 1, at current discount rate at balance sheet date	\$ 17,463	\$ 24,453	\$ 29,581
Balance at January 1, at original discount rate	\$ 18,209	\$ 21,276	\$ 25,063
Effect of changes in cash flow assumptions (1)	58	96	(108)
Effect of actual variances from expected experience (2)	(30)	54	(70)
Adjusted balance	18,237	21,426	24,885
Issuances	729	231	208
Interest accrual	370	364	422
Benefit payments	(1,174)	(1,406)	(1,794)
Effect of foreign currency translation	(964)	(2,406)	(2,445)
Balance at December 31, at original discount rate	17,198	18,209	21,276
Effect of changes in discount rate assumptions	224	(475)	3,545
Effect of foreign currency translation on the effect of changes in discount rate assumptions	13	(271)	(368)
Balance at December 31, at current discount rate at balance sheet date	17,435	17,463	24,453
Cumulative impact of flooring the future policyholder benefits reserve	—	11	5
Net liability for future policy benefits	12,874	12,792	18,472
Less: Amount due to reinsurer	(1)	(1)	(10)
Net liability for future policy benefits, net of reinsurance	\$ 12,875	\$ 12,793	\$ 18,482
Undiscounted:			
Expected future gross premiums	\$ 9,331	\$ 9,369	\$ 11,097
Expected future benefit payments	\$ 28,130	\$ 28,507	\$ 32,372
Discounted (at current discount rate at balance sheet date):			
Expected future gross premiums	\$ 8,067	\$ 8,086	\$ 10,377
Expected future benefit payments	\$ 17,435	\$ 17,463	\$ 24,453
Weighted-average duration of the liability	17 years	15 years	18 years
Weighted -average interest accretion (original locked-in) rate	2.5 %	2.3 %	2.3 %
Weighted-average current discount rate at balance sheet date	2.6 %	2.7 %	1.5 %

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**4. Future Policy Benefits (continued)**

- (1) For the year ended December 31, 2023, the net effect of changes in cash flow assumptions was not offset by the corresponding impact in DPL associated with the Asia segment's whole and term life & endowment products due to the diversification of the products and the underlying characteristics. For the years ended December 31, 2022 and 2021, the net effect of changes in cash flow assumptions was partially offset by the corresponding impact in DPL associated with the Asia segment's whole and term life & endowment products of (\$13) million and \$1 million, respectively.
- (2) For the years ended December 31, 2023 and 2022, the net effect of actual variances from expected experience was not offset by the corresponding impact in DPL associated with the Asia segment's whole and term life & endowment product due to the diversification of the products and the underlying characteristics. For the year ended December 31, 2021, the net effect of actual variances from expected experience was partially offset by the corresponding impact in DPL associated with the Asia segment's whole and term life & endowment products of (\$6) million.

**Significant Methodologies and Assumptions**

The principal inputs used in the establishment of the FPB reserve for Asia segment's whole and term life & endowment products include actual premiums, actual benefits, in-force data, locked-in claim-related expense, the locked-in interest accretion rate, the current upper-medium grade discount rate at the balance sheet date and best estimate assumptions. The best estimate assumptions include mortality, lapse, and morbidity.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

4. Future Policy Benefits (continued)

*Accident & Health*

The Asia segment's accident & health products in Japan and Korea offer various hospitalization, cancer, critical illness, disability, income protection and personal accident coverage. Information regarding these products was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(Dollars in millions)		
<b>Present Value of Expected Net Premiums</b>			
Balance at January 1, at current discount rate at balance sheet date	\$ 21,181	\$ 26,543	\$ 30,327
Balance at January 1, at original discount rate	\$ 22,594	\$ 25,937	\$ 29,456
Effect of changes in cash flow assumptions (1)	867	24	64
Effect of actual variances from expected experience (2)	(158)	297	101
Adjusted balance	23,303	26,258	29,621
Issuances	1,030	1,387	1,488
Interest accrual	236	250	311
Net premiums collected	(2,016)	(2,160)	(2,509)
Effect of foreign currency translation	(1,321)	(3,141)	(2,974)
Balance at December 31, at original discount rate	21,232	22,594	25,937
Effect of changes in discount rate assumptions	(1,449)	(1,341)	674
Effect of foreign currency translation on the effect of changes in discount rate assumptions	52	(72)	(68)
Balance at December 31, at current discount rate at balance sheet date	\$ 19,835	\$ 21,181	\$ 26,543
<b>Present Value of Expected Future Policy Benefits</b>			
Balance at January 1, at current discount rate at balance sheet date	\$ 30,879	\$ 41,874	\$ 46,282
Balance at January 1, at original discount rate	\$ 37,189	\$ 41,517	\$ 45,296
Effect of changes in cash flow assumptions (1)	898	(7)	126
Effect of actual variances from expected experience (2)	(180)	363	105
Adjusted balance	37,907	41,873	45,527
Issuances	1,028	1,387	1,487
Interest accrual	485	498	578
Benefit payments	(1,279)	(1,613)	(1,458)
Effect of foreign currency translation	(2,131)	(4,956)	(4,617)
Balance at December 31, at original discount rate	36,010	37,189	41,517
Effect of changes in discount rate assumptions	(5,793)	(6,291)	394
Effect of foreign currency translation on the effect of changes in discount rate assumptions	263	(19)	(37)
Balance at December 31, at current discount rate at balance sheet date	30,480	30,879	41,874
Cumulative impact of flooring the future policyholder benefits reserve	67	342	68
Net liability for future policy benefits	10,712	10,040	15,399
Less: Reinsurance recoverables/(Amount due to reinsurer)	142	143	(11)
Net liability for future policy benefits, net of reinsurance	\$ 10,570	\$ 9,897	\$ 15,410
Undiscounted:			
Expected future gross premiums	\$ 41,734	\$ 43,440	\$ 49,959
Expected future benefit payments	\$ 47,046	\$ 48,147	\$ 53,327
Discounted (at current discount rate at balance sheet date):			
Expected future gross premiums	\$ 34,356	\$ 36,179	\$ 45,872
Expected future benefit payments	\$ 30,480	\$ 30,879	\$ 41,874
Weighted-average duration of the liability	25 years	17 years	30 years
Weighted-average interest accretion (original locked-in) rate	1.7 %	1.7 %	1.7 %
Weighted-average current discount rate at balance sheet date	2.5 %	2.7 %	1.4 %

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**4. Future Policy Benefits (continued)**

- (1) For the year ended December 31, 2023, the net effect of changes in cash flow assumptions was partially offset by the corresponding impact in DPL associated with the Asia segment's accident & health products of (\$10) million. For the years ended December 31, 2022 and 2021 the net effect of changes in cash flow assumptions was more than offset by the corresponding impact in DPL associated with the Asia segment's accident & health products of \$44 million and (\$69) million, respectively.
- (2) For the years ended December 31, 2023 and 2022, the net effect of actual variances from expected experience was partially offset by the corresponding impact in DPL associated with the Asia segment's accident & health products of \$4 million and (\$20) million, respectively. For the year ended December 31, 2021, the net effect of actual variances from expected experience was more than offset by the corresponding impact in DPL associated with the Asia segment's accident & health products of (\$58) million.

**Significant Methodologies and Assumptions**

The principal inputs used in the establishment of the FPB reserve for the Asia segment's accident & health products include actual premiums, actual benefits, in-force data, locked-in claim-related expense, the locked-in interest accretion rate, current upper-medium grade discount rate at the balance sheet date and best estimate assumptions. The best estimate assumptions include mortality, lapse, and morbidity.

For the year ended December 31, 2023, the net effect of changes in cash flow assumptions was primarily driven by updates in policyholder behavior assumptions related to lapses, partially offset by updates in biometric assumptions related to mortality and morbidity. For the year ended December 31, 2021, the effect of changes in cash flow assumptions was primarily driven by updates in biometric assumptions related to mortality and updates in policyholder behavior assumptions related to lapses, partially offset by updates in biometric assumptions related to morbidity.

**Latin America - Fixed Annuities**

The Latin America segment's fixed annuity products in Chile and Mexico offer fixed income annuities that provide for asset distribution needs. Information regarding these products was as follows:

**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**4. Future Policy Benefits (continued)**

	Years Ended December 31,		
	2023	2022	2021
	(Dollars in millions)		
<b>Present Value of Expected Net Premiums</b>			
Balance at January 1, at current discount rate at balance sheet date	\$ —	\$ —	\$ —
Balance at January 1, at original discount rate	\$ —	\$ —	\$ —
Effect of changes in cash flow assumptions (1)	—	—	—
Effect of actual variances from expected experience (2)	—	1	1
Adjusted balance	—	1	1
Issuances	1,045	714	415
Interest accrual	29	(3)	(6)
Net premiums collected	(1,074)	(712)	(410)
Balance at December 31, at original discount rate	—	—	—
Balance at December 31, at current discount rate at balance sheet date	\$ —	\$ —	\$ —
<b>Present Value of Expected Future Policy Benefits</b>			
Balance at January 1, at current discount rate at balance sheet date	\$ 9,265	\$ 7,343	\$ 10,517
Balance at January 1, at original discount rate	\$ 8,240	\$ 6,851	\$ 7,649
Effect of changes in cash flow assumptions (1)	(5)	(8)	(37)
Effect of actual variances from expected experience (2)	(31)	(32)	2
Adjusted balance	8,204	6,811	7,614
Issuances	1,153	757	491
Interest accrual	341	286	294
Benefit payments	(671)	(560)	(749)
Inflation adjustment	415	896	464
Effect of foreign currency translation	(193)	50	(1,263)
Balance at December 31, at original discount rate	9,249	8,240	6,851
Effect of changes in discount rate assumptions	391	1,026	658
Effect of foreign currency translation on the effect of changes in discount rate assumptions	(3)	(1)	(166)
Balance at December 31, at current discount rate at balance sheet date	9,637	9,265	7,343
Net liability for future policy benefits	\$ 9,637	\$ 9,265	\$ 7,343
Undiscounted - Expected future benefit payments	\$ 13,994	\$ 12,675	\$ 10,712
Discounted - Expected future benefit payments (at current discount rate at balance sheet date)	\$ 9,637	\$ 9,265	\$ 7,343
Weighted-average duration of the liability	11 years	11 years	11 years
Weighted-average interest accretion (original locked-in) rate	3.6 %	3.9 %	4.2 %
Weighted-average current discount rate at balance sheet date	3.3 %	2.7 %	3.2 %

- (1) For the years ended December 31, 2023, 2022 and 2021, the net effect of changes in cash flow assumptions was largely offset by the corresponding impact in DPL associated with the Latin America segment's fixed annuity products of \$4 million, \$7 million and \$30 million, respectively.
- (2) For the year ended December 31, 2023, the net effect of actual variances from expected experience was not offset by the corresponding impact in DPL associated with the Latin America segment's fixed annuity products primarily due to the variance coming from cohorts with no DPL. For the year ended December 31, 2022, the net effect of actual variances from expected experience was partially offset by the corresponding impact in DPL associated with the Latin America segment's fixed annuity products of \$20 million. For the year ended December 31, 2021, the net effect of actual variances from expected experience was more than offset by the corresponding impact in DPL associated with the Latin America segment's fixed annuity products of (\$28) million.

**Significant Methodologies and Assumptions**

The principal inputs used in the establishment of the FPB reserve for the Latin America segment's fixed annuity products include actual premiums, actual benefits, in-force data, locked-in claim-related expense, the locked-in interest accretion rate, current upper-medium grade discount rate at the balance sheet date and best estimate mortality assumptions.



**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**4. Future Policy Benefits (continued)**

***MetLife Holdings - Long-term Care***

The MetLife Holdings segment's long-term care products offer protection against potentially high costs of long-term health care services. Information regarding these products was as follows:

	Years Ended December 31,		
	2023	2022	2021
(Dollars in millions)			
<b>Present Value of Expected Net Premiums</b>			
Balance at January 1, at current discount rate at balance sheet date	\$ 5,775	\$ 7,058	\$ 7,142
Balance at January 1, at original discount rate	\$ 5,807	\$ 5,699	\$ 5,516
Effect of changes in cash flow assumptions	(152)	272	270
Effect of actual variances from expected experience	199	120	183
Adjusted balance	5,854	6,091	5,969
Interest accrual	294	298	287
Net premiums collected	(582)	(582)	(557)
Balance at December 31, at original discount rate	5,566	5,807	5,699
Effect of changes in discount rate assumptions	121	(32)	1,359
Balance at December 31, at current discount rate at balance sheet date	\$ 5,687	\$ 5,775	\$ 7,058
<b>Present Value of Expected Future Policy Benefits</b>			
Balance at January 1, at current discount rate at balance sheet date	\$ 19,619	\$ 27,627	\$ 28,483
Balance at January 1, at original discount rate	\$ 20,165	\$ 19,406	\$ 18,586
Effect of changes in cash flow assumptions	(190)	301	276
Effect of actual variances from expected experience	223	115	188
Adjusted balance	20,198	19,822	19,050
Interest accrual	1,070	1,043	998
Benefit payments	(774)	(700)	(642)
Balance at December 31, at original discount rate	20,494	20,165	19,406
Effect of changes in discount rate assumptions	433	(546)	8,221
Balance at December 31, at current discount rate at balance sheet date	20,927	19,619	27,627
Other adjustments	—	1	—
Net liability for future policy benefits	\$ 15,240	\$ 13,845	\$ 20,569
Undiscounted:			
Expected future gross premiums	\$ 10,603	\$ 11,201	\$ 11,404
Expected future benefit payments	\$ 45,016	\$ 45,872	\$ 45,835
Discounted (at current discount rate at balance sheet date):			
Expected future gross premiums	\$ 7,139	\$ 7,200	\$ 9,049
Expected future benefit payments	\$ 20,927	\$ 19,619	\$ 27,627
Weighted-average duration of the liability	15 years	15 years	18 years
Weighted-average interest accretion (original locked-in) rate	5.4 %	5.5 %	5.5 %
Weighted-average current discount rate at balance sheet date	5.2 %	5.6 %	3.0 %

***Significant Methodologies and Assumptions***

The principal inputs used in the establishment of the FPB reserve for long-term care products include actual premiums, actual benefits, in-force data, locked-in claim-related expense, the locked-in interest accretion rate, current upper-medium grade discount rate at the balance sheet date and best estimate assumptions. The best estimate assumptions include mortality, lapse, incidence, claim utilization, claim cost inflation, claim continuance, and premium rate increases.

For the year ended December 31, 2023, the net effect of changes in cash flow assumptions was primarily driven by updates in policyholder behavior assumptions related to claim utilization experience, which lowered the expected cost of care. This was partially offset by updates in biometric assumptions associated with an increase in incidence rates. For the year ended December 31, 2022, the net effect of changes in cash flow assumptions was primarily driven by updates in operational assumptions related to inflation, which increased the expected cost of care.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**4. Future Policy Benefits (continued)**

For the year ended December 31, 2021, the net effect of actual variances from expected experience was primarily driven by a model refinement resulting in unfavorable claim utilization expectations, largely offset by higher than expected claim terminations and mortality.

***Rollforwards - Additional Insurance Liabilities***

The Company establishes additional insurance liabilities for annuitization, death or other insurance benefits for variable life, universal life, and variable universal life contract features where the Company guarantees to the contractholder either a secondary guarantee or a guaranteed paid-up benefit. The policy can remain in force, even if the base policy account value is zero, as long as contractual secondary guarantee requirements have been met.

The following information about the direct liability for additional insurance liabilities includes disaggregated rollforwards. The products grouped within these rollforwards were selected based upon common characteristics and valuations using similar inputs, judgments, assumptions and methodologies within a particular segment of the business. The adjusted balance in each disaggregated rollforward reflects the remeasurement (gains) losses. All amounts presented in these rollforwards and accompanying financial information do not include a reduction for amounts ceded to reinsurers. See Note 9 for further information regarding the impact of reinsurance on the consolidated balance sheets and the consolidated statements of operations.

***Asia***

The Asia segment's variable life, universal life, and variable universal life products in Japan offer a contract feature where the Company guarantees to the contractholder a secondary guarantee. Information regarding these additional insurance liabilities was as follows:

	Years Ended December 31,					
	2023	2022	2021	2023	2022	2021
	Variable Life			Universal and Variable Universal Life		
	(Dollars in millions)					
Balance, at January 1,	\$ 1,381	\$ 1,595	\$ 1,824	\$ 455	\$ 655	\$ 788
Less: AOCI adjustment	—	—	—	(33)	56	102
Balance, at January 1, before AOCI adjustment	1,381	1,595	1,824	488	599	686
Effect of changes in cash flow assumptions	(4)	9	—	(2)	(1)	—
Effect of actual variances from expected experience	(10)	2	(24)	(24)	(39)	(30)
Adjusted balance	1,367	1,606	1,800	462	559	656
Assessments accrual	(3)	(3)	(3)	—	(3)	5
Interest accrual	19	21	25	7	7	9
Excess benefits paid	(36)	(40)	(40)	—	—	—
Effect of foreign currency translation and other, net	(89)	(203)	(187)	(31)	(75)	(71)
Balance, at December 31, before AOCI adjustment	1,258	1,381	1,595	438	488	599
Add: AOCI adjustment	—	—	—	(14)	(33)	56
Balance, at December 31,	<u>\$ 1,258</u>	<u>\$ 1,381</u>	<u>\$ 1,595</u>	<u>\$ 424</u>	<u>\$ 455</u>	<u>\$ 655</u>
Weighted-average duration of the liability	16 years	17 years	18 years	42 years	42 years	41 years
Weighted-average interest accretion rate	1.5 %	1.4 %	1.5 %	1.4 %	1.4 %	1.5 %

***Significant Methodologies and Assumptions***

The principal inputs used in the establishment of the additional insurance liability for the Asia segment's variable life products include historical actual fees and benefits, in-force data, the locked-in discount rate, the stochastic fund return scenario assumption, and best estimate lapse and mortality assumptions.

The stochastic fund return scenario assumption includes the long-term average return and volatility for each fund, and the correlation matrix for each fund. For newer products, the discount rate is determined based on the weighting and return of each fund.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**4. Future Policy Benefits (continued)**

The principal inputs used in the establishment of the additional insurance liability for the Asia segment’s universal and variable universal life products include historical actual fees and benefits, in-force data, the locked-in discount rate, the stochastic fund return scenario assumption, and best estimate lapse and mortality assumptions.

The stochastic fund return scenario assumption includes the foreign currency exchange long-term average trend, foreign currency exchange volatility, long-term U.S. swap and treasury yield, U.S. swap volatility and the correlation between foreign currency exchange and U.S. swap rates.

The locked-in discount rate used for these products is based on the earned rate and foreign currency exchange rates at acquisition.

***MetLife Holdings***

The MetLife Holdings segment’s universal life and variable universal life products offer a contract feature where the Company guarantees to the contractholder a secondary guarantee or a guaranteed paid-up benefit. Information regarding these additional insurance liabilities was as follows:

	Years Ended December 31,		
	2023	2022	2021
Universal and Variable Universal Life			
(Dollars in millions)			
Balance, at January 1	\$ 2,156	\$ 2,117	\$ 2,014
Less: AOCI adjustment	(63)	67	95
Balance, at January 1, before AOCI adjustment	2,219	2,050	1,919
Effect of changes in cash flow assumptions	38	35	—
Effect of actual variances from expected experience	—	39	19
Adjusted balance	2,257	2,124	1,938
Assessments accrual	105	103	114
Interest accrual	124	116	107
Excess benefits paid	(110)	(124)	(109)
Balance, at December 31, before AOCI adjustment	2,376	2,219	2,050
Add: AOCI adjustment	(14)	(63)	67
Balance, at December 31	2,362	2,156	2,117
Less: Reinsurance recoverables	2,055	745	739
Balance, at December 31, net of reinsurance	\$ 307	\$ 1,411	\$ 1,378
Weighted-average duration of the liability	15 years	16 years	17 years
Weighted-average interest accretion rate	5.5 %	5.6 %	5.6 %

***Significant Methodologies and Assumptions***

Liabilities for ULSG and paid-up guarantees are determined by estimating the expected value of death benefits payable when the account balance is projected to be zero and recognizing those benefits ratably over the life of the contract based on total expected assessments.

The guaranteed benefits are estimated over a range of scenarios. The significant assumptions used in estimating the ULSG and paid-up guarantee liabilities are investment income, mortality, lapses, and premium payment pattern and persistency. In addition, projected earned rate and crediting rates are used to project the account values and excess death benefits and assessments. The discount rate is equal to the crediting rate for each annual cohort and is locked-in at inception.

**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**4. Future Policy Benefits (continued)**

The Company's gross premiums or assessments and interest expense recognized in the consolidated statements of operations and comprehensive income (loss) for long-duration contracts, excluding MetLife Holdings' participating life contracts, were as follows:

	Years Ended December 31,					
	2023		2022		2021	
	Gross Premiums or Assessments (1)	Interest Expense (2)	Gross Premiums or Assessments (1)	Interest Expense (2)	Gross Premiums or Assessments (1)	Interest Expense (2)
(In millions)						
Traditional and Limited-Payment Contracts:						
RIS - Annuities	\$ 6,660	\$ 2,897	\$ 12,748	\$ 2,519	\$ 3,965	\$ 2,336
Asia:						
Whole and term life & endowments	1,124	311	1,144	320	1,457	371
Accident & health	3,364	249	3,602	248	4,203	267
Latin America - Fixed annuities	1,074	312	712	289	410	300
MetLife Holdings - Long-term care	731	776	734	745	736	711
Deferred Profit Liabilities:						
RIS - Annuities	N/A	167	N/A	154	N/A	147
Asia:						
Whole and term life & endowments	N/A	31	N/A	26	N/A	18
Accident & health	N/A	18	N/A	16	N/A	14
Latin America - Fixed annuities	N/A	22	N/A	19	N/A	20
Additional Insurance Liabilities:						
Asia:						
Variable life	89	19	58	21	28	25
Universal and variable universal life	(31)	7	(26)	7	19	9
MetLife Holdings - Universal and variable universal life	730	124	805	116	831	107
Other long-duration	4,516	460	3,701	450	4,063	480
Total	<u>\$ 18,257</u>	<u>\$ 5,393</u>	<u>\$ 23,478</u>	<u>\$ 4,930</u>	<u>\$ 15,712</u>	<u>\$ 4,805</u>

- (1) Gross premiums are related to traditional and limited-payment contracts and are included in premiums. Assessments are related to additional insurance liabilities and are included in universal life and investment-type product policy fees and net investment income.
- (2) Interest expense is included in policyholder benefits and claims.

***Participating Business***

Participating business represented 2% of the Company's life insurance in-force at both December 31, 2023 and 2022. Participating policies represented 10%, 11% and 12% of gross traditional life insurance premiums for the years ended December 31, 2023, 2022 and 2021, respectively.

***Liabilities for Unpaid Claims and Claim Expenses***

The following is information about incurred and paid claims development by segment at December 31, 2023. Such amounts are presented net of reinsurance, and are not discounted. The tables present claims development and cumulative claim payments by incurral year. The development tables are only presented for significant short-duration product liabilities within each segment. In order to eliminate potential fluctuations related to foreign exchange rates, liabilities and payments denominated in a foreign currency have been translated using the 2023 year-end spot rates for all periods presented. The information about incurred and paid claims development prior to 2023 is presented as supplementary information.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

4. Future Policy Benefits (continued)

**Group Benefits**

*Group Life - Term*

Incurrence Year	Incurred Claims and Allocated Claim Adjustment Expense, Net of Reinsurance										At December 31, 2023		
	Years Ended December 31,										Total IBNR Liabilities Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims	
	(Unaudited)												
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023			
(Dollars in millions)													
2014	\$ 6,986	\$ 6,919	\$ 6,913	\$ 6,910	\$ 6,914	\$ 6,919	\$ 6,920	\$ 6,918	\$ 6,920	\$ 6,921	\$	1	216,354
2015		7,040	7,015	7,014	7,021	7,024	7,025	7,026	7,026	7,028		1	219,102
2016			7,125	7,085	7,095	7,104	7,105	7,104	7,107	7,109		2	221,155
2017				7,432	7,418	7,425	7,427	7,428	7,428	7,432		2	264,341
2018					7,757	7,655	7,646	7,650	7,651	7,652		2	252,744
2019						7,935	7,900	7,907	7,917	7,914		4	254,564
2020							8,913	9,367	9,389	9,384		11	299,634
2021								10,555	10,795	10,777		23	332,964
2022									9,640	9,653		44	331,022
2023										9,584		1,198	263,329
Total										83,454			
Cumulative paid claims and paid allocated claim adjustment expenses, net of reinsurance										(80,287)			
All outstanding liabilities for incurrence years prior to 2014, net of reinsurance										20			
Total unpaid claims and claim adjustment expenses, net of reinsurance										<u>\$ 3,187</u>			

Incurrence Year	Cumulative Paid Claims and Paid Allocated Claim Adjustment Expenses, Net of Reinsurance									
	Years Ended December 31,									
	(Unaudited)									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
(In millions)										
2014	\$ 5,428	\$ 6,809	\$ 6,858	\$ 6,869	\$ 6,902	\$ 6,912	\$ 6,915	\$ 6,916	\$ 6,917	\$ 6,919
2015		5,524	6,913	6,958	6,974	7,008	7,018	7,022	7,024	7,027
2016			5,582	6,980	7,034	7,053	7,086	7,096	7,100	7,106
2017				5,761	7,292	7,355	7,374	7,400	7,414	7,427
2018					6,008	7,521	7,578	7,595	7,629	7,646
2019						6,178	7,756	7,820	7,853	7,898
2020							6,862	9,103	9,242	9,296
2021								8,008	10,476	10,640
2022									7,101	9,399
2023										6,929
Total cumulative paid claims and paid allocated claim adjustment expenses, net of reinsurance										<u>\$ 80,287</u>

Average Annual Percentage Payout

The following is supplementary information about average historical claims duration at December 31, 2023:

Years	Average Annual Percentage Payout of Incurred Claims by Age, Net of Reinsurance									
	1	2	3	4	5	6	7	8	9	10
Group Life - Term	76.3%	21.1%	0.9%	0.3%	0.5%	0.2%	0.1%	—%	—%	—%

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

4. Future Policy Benefits (continued)

*Group Long-Term Disability*

Incurral Year	Incurred Claims and Allocated Claim Adjustment Expense, Net of Reinsurance										At December 31, 2023		
	Years Ended December 31,										Total IBNR Liabilities Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims	
	(Unaudited)												
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023			
(Dollars in millions)													
2014	\$ 1,076	\$ 1,077	\$ 1,079	\$ 1,101	\$ 1,109	\$ 1,098	\$ 1,097	\$ 1,081	\$ 1,078	\$ 1,071	\$	—	22,854
2015		1,082	1,105	1,093	1,100	1,087	1,081	1,067	1,086	1,078		—	21,218
2016			1,131	1,139	1,159	1,162	1,139	1,124	1,123	1,086		—	17,974
2017				1,244	1,202	1,203	1,195	1,165	1,181	1,101		—	16,329
2018					1,240	1,175	1,163	1,147	1,170	1,102		—	15,215
2019						1,277	1,212	1,169	1,177	1,103		—	15,408
2020							1,253	1,223	1,155	1,100		—	15,773
2021								1,552	1,608	1,477		9	19,557
2022									1,641	1,732		46	18,006
2023										1,725		793	10,994
Total										12,575			
Cumulative paid claims and paid allocated claim adjustment expenses, net of reinsurance											(6,295)		
All outstanding liabilities for incurral years prior to 2014, net of reinsurance											1,477		
Total unpaid claims and claim adjustment expenses, net of reinsurance											<u>\$ 7,757</u>		

Incurral Year	Cumulative Paid Claims and Paid Allocated Claim Adjustment Expenses, Net of Reinsurance									
	Years Ended December 31,									
	(Unaudited)									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
(In millions)										
2014	\$ 51	\$ 266	\$ 428	\$ 526	\$ 609	\$ 677	\$ 732	\$ 778	\$ 818	\$ 850
2015		50	264	427	524	601	665	718	764	801
2016			49	267	433	548	628	696	750	769
2017				56	290	476	579	655	719	718
2018					54	314	497	594	666	663
2019						57	342	522	620	621
2020							59	355	535	560
2021								95	505	620
2022									76	609
2023										84
Total cumulative paid claims and paid allocated claim adjustment expenses, net of reinsurance										<u>\$ 6,295</u>

Average Annual Percentage Payout

The following is supplementary information about average historical claims duration at December 31, 2023:

Years	Average Annual Percentage Payout of Incurred Claims by Age, Net of Reinsurance									
	1	2	3	4	5	6	7	8	9	10
Group Long-Term Disability	5.0%	24.0%	14.9%	8.3%	6.0%	4.8%	3.7%	3.4%	3.6%	3.0%

Significant Methodologies and Assumptions

Group Life - Term and Group Long-Term Disability incurred but not paid (“IBNP”) liabilities are developed using a combination of loss ratio and development methods. Claims in the course of settlement are then subtracted from the IBNP liabilities, resulting in the IBNR liabilities. The loss ratio method is used in the period in which the claims are neither sufficient nor credible. In developing the loss ratios, any material rate increases that could change the underlying premium without affecting the estimated incurred losses are taken into account. For periods where sufficient and credible claim data exists, the development method is used based on the claim triangles which categorize claims according to both the period in which they were incurred and the period in which they were paid, adjudicated or reported. The end result is a triangle of known data that is used to develop known completion ratios and factors. Claims paid are then subtracted from the estimated ultimate incurred claims to calculate the IBNP liability.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**4. Future Policy Benefits (continued)**

An expense liability is held for the future expenses associated with the payment of incurred but not yet paid claims (IBNR and pending). This is expressed as a percentage of the underlying claims liability and is based on past experience and the anticipated future expense structure.

For Group Life - Term, first year incurred claims and allocated loss adjustment expenses decreased in 2023 compared to the 2022 incurrence year due to the decline in COVID-19 related death claims. For Group Long-Term Disability, first year incurred claims and allocated loss adjustment expenses increased in 2023 compared to 2022 incurrence year due to the growth in the size of the business.

The assumptions used in calculating the unpaid claims and claim adjustment expenses for Group Life - Term and Group Long-Term Disability are updated annually to reflect emerging trends in claim experience.

Certain of the Group Life - Term customers have experience-rated contracts, whereby the group sponsor participates in the favorable and/or adverse claim experience, including favorable and/or adverse prior year development. Claim experience adjustments on these contracts are not reflected in the foregoing incurred and paid claim development tables, but are instead reflected as an increase (adverse experience) or decrease (favorable experience) to premiums on the consolidated statements of operations.

Liabilities for Group Life - Term unpaid claims and claim adjustment expenses are not discounted.

The liabilities for Group Long-Term Disability unpaid claims and claim adjustment expenses were \$6.7 billion and \$6.5 billion at December 31, 2023 and 2022, respectively. Using interest rates ranging from 3% to 8%, based on the incurrence year, the total discount applied to these liabilities was \$1.3 billion and \$1.2 billion at December 31, 2023 and 2022, respectively. The amount of interest accretion recognized was \$516 million, \$461 million and \$518 million for the years ended December 31, 2023, 2022 and 2021, respectively. These amounts were reflected in policyholder benefits and claims.

For Group Life - Term, claims were based upon individual death claims. For Group Long-Term Disability, claim frequency was determined by the number of reported claims as identified by a unique claim number assigned to individual claimants. Claim counts initially include claims that do not ultimately result in a liability. These claims are omitted from the claim counts once it is determined that there is no liability.

The incurred and paid claims disclosed for the Group Life - Term product includes activity related to the product's continued protection feature; however, the associated actuarial reserve for future benefit obligations under this feature is excluded from the liability for unpaid claims.

The Group Long-Term Disability IBNR, included in the development tables above, was developed using discounted cash flows, and is presented on a discounted basis.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**4. Future Policy Benefits (continued)**

*Asia*

*Group Disability & Group Life*

Incurral Year	Incurred Claims and Allocated Claim Adjustment Expense, Net of Reinsurance										At December 31, 2023	
	Years Ended December 31,										Total IBNR Liabilities Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims
	(Unaudited)											
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
(Dollars in millions)												
2014	\$ 259	\$ 243	\$ 223	\$ 224	\$ 234	\$ 230	\$ 231	\$ 231	\$ 225	\$ 226	\$ 6	6,930
2015		244	233	236	230	241	243	246	243	244	10	6,879
2016			204	207	196	209	211	216	218	217	13	4,797
2017				265	246	253	271	279	273	275	22	5,751
2018					323	295	307	317	311	318	43	6,170
2019						349	326	341	337	346	57	6,307
2020							388	361	333	341	104	5,488
2021								369	384	404	154	6,617
2022									491	454	230	6,955
2023										453	359	3,544
Total										3,278		
Cumulative paid claims and paid allocated claim adjustment expenses, net of reinsurance										(2,280)		
All outstanding liabilities for incurral years prior to 2014, net of reinsurance											13	
Total unpaid claims and claim adjustment expenses, net of reinsurance											<u>\$ 1,011</u>	

Incurral Year	Cumulative Paid Claims and Paid Allocated Claim Adjustment Expenses, Net of Reinsurance									
	Years Ended December 31,									
	(Unaudited)									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
(In millions)										
2014	\$ 61	\$ 126	\$ 157	\$ 176	\$ 198	\$ 199	\$ 209	\$ 214	\$ 217	\$ 219
2015		71	134	168	182	205	219	226	230	233
2016			57	118	134	168	182	191	199	204
2017				77	139	184	226	241	243	254
2018					85	156	210	244	254	275
2019						93	171	222	258	289
2020							86	154	205	237
2021								78	172	249
2022									90	225
2023										95
Total cumulative paid claims and paid allocated claim adjustment expenses, net of reinsurance										<u>\$ 2,280</u>

Average Annual Percentage Payout

The following is supplementary information about average historical claims duration at December 31, 2023:

Years	Average Annual Percentage Payout of Incurred Claims by Age, Net of Reinsurance									
	1	2	3	4	5	6	7	8	9	10
Group Disability & Group Life	24.9%	24.8%	14.6%	10.8%	7.2%	3.5%	3.7%	2.1%	1.3%	0.9%

Significant Methodologies and Assumptions

This business line consists of employer sponsored and industry sponsored Group Life and Group Disability risks.

For Group Life, the IBNR liability is determined by using the Bornhuetter-Ferguson Method, with factors derived by examining the experience of historical claims. A pending liability is also calculated for claims that have been reported but have not been paid. A claim eligibility ratio based on past experience is applied to the face amount of individual claims.



**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**4. Future Policy Benefits (continued)**

For Group Disability, the IBNR liability is calculated by applying a percentage to premiums in-force based on the expected delay as evidenced by the experience in the portfolio. The IBNR liability is then allocated back into different incurral years based on historical run-off patterns. As the benefit for this class of business is a regular series of payments, an additional reserve is required for the liability for ongoing benefit payments - claims in course of payment (“CICP”). The assumptions employed in the calculation of the CICP are adjusted for the Company’s own experience.

An expense liability is held for the future expenses associated with the payment of incurred but not yet paid claims. This is expressed as a percentage of the underlying claims liability and is based on past experience and the future expense structure.

The assumptions used in calculating the unpaid claims and claim adjustment expenses for Group Disability and Group Life are updated annually to reflect emerging trends in claim experience.

No additional premiums or return premiums have been accrued as a result of the prior year development.

The liabilities for unpaid claims and claim adjustment expenses were \$1.3 billion at both December 31, 2023 and 2022. These amounts were discounted using interest rates ranging from 1% to 7%, based on the incurral year. The total discount applied to these liabilities was \$163 million and \$118 million at December 31, 2023 and 2022, respectively. The amount of interest accretion recognized was \$37 million, \$22 million and \$22 million for the years ended December 31, 2023, 2022 and 2021, respectively. These amounts were reflected in policyholder benefits and claims.

The Company tracks claim frequency by the number of reported claims as identified by a unique claim number assigned to individual claimants. Claim counts include claims that do not ultimately result in a liability. A liability is only established for those claims that are expected to result in a liability, based on historical factors.

***Latin America***

***Protection Life***

Incurral Year	Incurred Claims and Allocated Claim Adjustment Expense, Net of Reinsurance										At December 31, 2023		
	Years Ended December 31,										Total IBNR Liabilities Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims	
	(Unaudited)												
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023			
(Dollars in millions)													
2014	\$ 261	\$ 400	\$ 411	\$ 375	\$ 378	\$ 379	\$ 380	\$ 380	\$ 370	\$ 371	\$	—	38,397
2015		342	492	458	463	463	464	458	446	447		—	44,554
2016			362	475	488	496	497	498	487	486		—	38,936
2017				373	363	363	362	362	352	351		—	31,052
2018					347	335	333	334	333	333		—	29,857
2019						374	342	346	343	344		1	32,435
2020							567	567	573	576		7	43,062
2021								717	625	625		15	52,935
2022									495	467		27	40,656
2023										481		199	26,972
Total										4,481			
Cumulative paid claims and paid allocated claim adjustment expenses, net of reinsurance										(4,036)			
All outstanding liabilities for incurral years prior to 2014, net of reinsurance												1	
Total unpaid claims and claim adjustment expenses, net of reinsurance												\$	446

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

4. Future Policy Benefits (continued)

Cumulative Paid Claims and Paid Allocated Claim Adjustment Expenses, Net of Reinsurance										
Years Ended December 31,										
(Unaudited)										
Incurral Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
(In millions)										
2014	\$ 232	\$ 349	\$ 355	\$ 359	\$ 363	\$ 365	\$ 367	\$ 368	\$ 359	\$ 360
2015		278	394	418	426	433	436	437	426	428
2016			257	460	481	490	493	496	488	489
2017				221	331	350	354	357	348	349
2018					174	297	310	315	312	314
2019						194	295	318	316	320
2020							245	490	504	513
2021								370	517	539
2022									305	410
2023										314
Total cumulative paid claims and paid allocated claim adjustment expenses, net of reinsurance										<u>\$ 4,036</u>

Average Annual Percentage Payout

The following is supplementary information about average historical claims duration at December 31, 2023:

Average Annual Percentage Payout of Incurred Claims by Age, Net of Reinsurance										
Years	1	2	3	4	5	6	7	8	9	10
Protection Life	58.2%	31.7%	4.2%	1.2%	0.7%	—%	(0.1)%	(0.7)%	(1.0)%	0.3%

Protection Health

Incurred Claims and Allocated Claim Adjustment Expense, Net of Reinsurance											At December 31, 2023	
Years Ended December 31,											Total IBNR Liabilities Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims
(Unaudited)												
Incurral Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
(Dollars in millions)												
2014	\$ 271	\$ 302	\$ 304	\$ 302	\$ 301	\$ 301	\$ 301	\$ 302	\$ 303	\$ 302	\$ —	98,246
2015		233	265	267	265	265	265	266	266	266	—	87,711
2016			306	352	349	349	349	349	349	350	—	106,797
2017				443	412	413	412	412	412	413	—	121,765
2018					474	498	472	471	471	471	—	144,770
2019						158	206	199	198	199	1	132,789
2020							572	562	560	559	2	150,117
2021								735	737	733	7	171,217
2022									800	790	17	196,579
2023										1,011	96	159,272
Total										5,094		
Cumulative paid claims and paid allocated claim adjustment expenses, net of reinsurance										(4,900)		
All outstanding liabilities for incurral years prior to 2014, net of reinsurance											2	
Total unpaid claims and claim adjustment expenses, net of reinsurance										<u>\$ 196</u>		

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**4. Future Policy Benefits (continued)**

Cumulative Paid Claims and Paid Allocated Claim Adjustment Expenses, Net of Reinsurance										
Years Ended December 31,										
(Unaudited)										
Incurral Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
(In millions)										
2014	\$ 269	\$ 300	\$ 302	\$ 298	\$ 298	\$ 298	\$ 298	\$ 298	\$ 299	\$ 299
2015		233	265	263	264	265	265	266	266	266
2016			288	344	347	348	348	349	349	350
2017				361	407	409	410	411	412	413
2018					405	461	465	466	468	469
2019						133	187	191	194	196
2020							484	547	552	554
2021								649	718	724
2022									678	771
2023										858
Total cumulative paid claims and paid allocated claim adjustment expenses, net of reinsurance										<u>\$ 4,900</u>

Average Annual Percentage Payout

The following is supplementary information about average historical claims duration at December 31, 2023:

Average Annual Percentage Payout of Incurred Claims by Age, Net of Reinsurance										
Years	1	2	3	4	5	6	7	8	9	10
Protection Health	84.5%	13.4%	0.7%	0.2%	0.3%	0.1%	0.2%	0.1%	0.2%	—%

Significant Methodologies and Assumptions

The Latin America segment establishes liabilities for unpaid losses, which are equal to the accumulation of unpaid reported claims, plus an estimate for claims IBNR.

In general terms, for both the Protection Life and Protection Health products, the methodology for IBNR is the Bornhuetter-Ferguson Method, with factors derived by examining the experience of historical claims. In the more recent incurral months, the credibility is higher on expected loss ratios and lower on claims calculated using the experience-derived factors. The credibility grows for the factors as incurral months become older.

For Protection Health products, claim duration can be very long due to the multiple incidences that may occur over time for a single claim. Depending on the characteristics of the product, the number of claims reported per year may or may not be based on the original claim occurrence date for each individual claim. For Protection Life products, claims are based upon individual death claims.

The assumptions used in calculating the unpaid claims and claim adjustment expenses for Protection Life and Protection Health are updated annually to reflect emerging trends in claim experience.

Certain of the Protection Life customers have experience-rated contracts, whereby the group sponsor participates in the favorable and/or adverse claim experience, including favorable and/or adverse prior year development. Claim experience adjustments on these contracts are not reflected in the foregoing incurred and paid claim development tables, but are instead reflected as an increase (adverse experience) or decrease (favorable experience) to premiums on the consolidated statements of operations.

Liabilities for unpaid claims and claim adjustment expenses were not discounted.

For Protection Life and Protection Health products, claim counts initially include claims that do not ultimately result in a liability. These claims are omitted from the claim counts once it is determined that there is no liability.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**4. Future Policy Benefits (continued)**

**Reconciliation of the Disclosure of Incurred and Paid Claims Development to the Liability for Unpaid Claims and Claim Adjustment Expenses**

The reconciliation of the net incurred and paid claims development tables to the liability for unpaid claims and claims adjustment expenses on the consolidated balance sheet was as follows at:

	<u>December 31, 2023</u>	
	(In millions)	
Short-Duration:		
Unpaid claims and allocated claims adjustment expenses, net of reinsurance:		
Group Benefits:		
Group Life - Term	\$ 3,187	
Group Long-Term Disability	<u>7,757</u>	
Total		\$ 10,944
Asia - Group Disability & Group Life		1,011
Latin America:		
Protection Life	446	
Protection Health	<u>196</u>	
Total		642
Other insurance lines - all segments combined		1,871
Total unpaid claims and allocated claims adjustment expenses, net of reinsurance		<u>14,468</u>
Reinsurance recoverables on unpaid claims:		
Group Benefits:		
Group Life - Term	8	
Group Long-Term Disability	<u>272</u>	
Total		280
Asia - Group Disability & Group Life		475
Latin America:		
Protection Life	14	
Protection Health	<u>24</u>	
Total		38
Other insurance lines - all segments combined		285
Total reinsurance recoverable on unpaid claims		<u>1,078</u>
Total unpaid claims and allocated claims adjustment expense		15,546
Unallocated claims adjustment expenses		—
Discounting		<u>(1,488)</u>
Liability for unpaid claims and claim adjustment liabilities - short-duration		14,058
Liability for unpaid claims and claim adjustment liabilities - all long-duration lines		<u>2,410</u>
Total liability for unpaid claims and claim adjustment expense (included in future policy benefits and other policy-related balances)		<u>\$ 16,468</u>

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

4. Future Policy Benefits (continued)

*Rollforward of Claims and Claim Adjustment Expenses*

Information regarding the liabilities for unpaid claims and claim adjustment expenses was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Balance at January 1,	\$ 16,098	\$ 15,598	\$ 14,698
Less: Reinsurance recoverables	2,452	2,629	1,896
Net balance at January 1,	13,646	12,969	12,802
Incurred related to:			
Current year	27,080	26,505	26,903
Prior years (1)	374	668	922
Total incurred	27,454	27,173	27,825
Paid related to:			
Current year	(20,220)	(19,917)	(21,027)
Prior years	(7,004)	(6,579)	(6,512)
Total paid	(27,224)	(26,496)	(27,539)
Reclassified to liabilities held-for-sale (2)	—	—	(55)
Dispositions (2)	—	—	(64)
Net balance at December 31,	13,876	13,646	12,969
Add: Reinsurance recoverables	2,592	2,452	2,629
Balance at December 31,	\$ 16,468	\$ 16,098	\$ 15,598

- (1) For the year ended December 31, 2023, incurred claims and claim adjustment expenses associated with prior years increased due to events incurred in prior years but reported in the current year. For the years ended December 31, 2022 and 2021, incurred claims and claim adjustment expenses include expenses associated with prior years but reported in 2022 and 2021 which contain impacts related to the COVID-19 pandemic, partially offset by additional premiums recorded for experience-rated contracts that are not reflected in the table above.
- (2) See Note 3 for information on the Company's business dispositions.

5. Policyholder Account Balances

The Company establishes liabilities for PABs, which are generally equal to the account value, and which includes accrued interest credited, but excludes the impact of any applicable charge that may be incurred upon surrender.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**5. Policyholder Account Balances (continued)**

The LDTI transition adjustments related to PABs, as described in Note 1, were as follows at the Transition Date:

	Group Benefits Group Life	RIS Capital Markets Investment Products and Stable Value GICs	RIS Annuities and Risk Solutions	Asia Universal and Variable Universal Life	Asia Fixed Annuities	EMEA Variable Annuities	MetLife Holdings Annuities	MetLife Holdings Life and Other	Other	Total
	(In millions)									
Balance at December 31, 2020	\$ 7,586	\$ 62,908	\$ 6,250	\$ 43,868	\$ 31,422	\$ 4,777	\$ 15,727	\$ 13,129	\$ 19,509	\$ 205,176
Reclassification of carrying amounts of contracts and contract features that are market risk benefits	—	—	(24)	—	—	2	(493)	(273)	(170)	(958)
Other balance sheet reclassifications upon adoption of the LDTI standard	—	—	7,417	—	—	—	—	—	102	7,519
Balance at January 1, 2021	<u>\$ 7,586</u>	<u>\$ 62,908</u>	<u>\$ 13,643</u>	<u>\$ 43,868</u>	<u>\$ 31,422</u>	<u>\$ 4,779</u>	<u>\$ 15,234</u>	<u>\$ 12,856</u>	<u>\$ 19,441</u>	<u>\$ 211,737</u>

The Company's PABs on the consolidated balance sheets were as follows at:

	December 31, 2023	December 31, 2022
	(In millions)	
Group Benefits - Group Life	\$ 7,692	\$ 8,028
RIS:		
Capital Markets Investment Products and Stable Value GICs	64,140	63,723
Annuities and Risk Solutions	17,711	15,549
Asia:		
Universal and Variable Universal Life	49,739	46,417
Fixed Annuities	36,863	32,454
EMEA - Variable Annuities	2,720	2,802
MetLife Holdings:		
Annuities	11,537	13,286
Life and Other	11,641	12,402
Other	17,226	15,936
Total	<u>\$ 219,269</u>	<u>\$ 210,597</u>

**Rollforwards**

The following information about the direct and assumed liability for PABs includes year-to-date disaggregated rollforwards. The products grouped within these rollforwards were selected based upon common characteristics and valuations using similar inputs, judgments, assumptions and methodologies within a particular segment of the business. Policy charges presented in each disaggregated rollforward reflect a premium and/or assessment based on the account balance.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**5. Policyholder Account Balances (continued)**

***Group Benefits***

*Group Life*

The Group Benefits segment's group life PABs predominantly consist of retained asset accounts, universal life products, and the fixed account of variable life insurance products. Information regarding this liability was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(Dollars in millions)		
Balance at January 1,	\$ 8,028	\$ 7,893	\$ 7,586
Deposits	3,311	3,361	3,450
Policy charges	(635)	(612)	(589)
Surrenders and withdrawals	(3,192)	(2,744)	(2,670)
Benefit payments	(12)	(10)	(9)
Net transfers from (to) separate accounts	—	(2)	(1)
Interest credited	192	142	126
Balance at December 31,	<u>\$ 7,692</u>	<u>\$ 8,028</u>	<u>\$ 7,893</u>
Weighted-average annual crediting rate	<u>2.5 %</u>	<u>1.8 %</u>	<u>1.6 %</u>
At period end:			
Cash surrender value	<u>\$ 7,630</u>	<u>\$ 7,974</u>	<u>\$ 7,840</u>
Net amount at risk, excluding offsets from reinsurance:			
In the event of death (1)	<u>\$ 250,033</u>	<u>\$ 244,638</u>	<u>\$ 238,062</u>

- (1) For benefits that are payable in the event of death, the net amount at risk is generally defined as the current death benefit in excess of the current account balance at the balance sheet date. It represents the amount of the claim that the Company would incur if death claims were filed on all contracts at the balance sheet date.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**5. Policyholder Account Balances (continued)**

The Group Benefits segment’s group life product account values by range of guaranteed minimum crediting rates (“GMCR”) and the related range of differences between rates being credited to policyholders and the respective guaranteed minimums were as follows at:

Range of GMCR	At GMCR	Greater than 0% but less than 0.50% above GMCR	Equal to or greater than 0.50% but less than 1.50% above GMCR (In millions)	Equal to or greater than 1.50% above GMCR	Total Account Value
<b>December 31, 2023</b>					
Equal to or greater than 0% but less than 2%	\$ —	\$ 86	\$ 863	\$ 4,558	\$ 5,507
Equal to or greater than 2% but less than 4%	1,196	9	62	2	1,269
Equal to or greater than 4%	727	1	43	34	805
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	111
Total	<u>\$ 1,923</u>	<u>\$ 96</u>	<u>\$ 968</u>	<u>\$ 4,594</u>	<u>\$ 7,692</u>
<b>December 31, 2022</b>					
Equal to or greater than 0% but less than 2%	\$ —	\$ 973	\$ 4,471	\$ 236	\$ 5,680
Equal to or greater than 2% but less than 4%	1,303	52	21	—	1,376
Equal to or greater than 4%	803	1	11	30	845
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	127
Total	<u>\$ 2,106</u>	<u>\$ 1,026</u>	<u>\$ 4,503</u>	<u>\$ 266</u>	<u>\$ 8,028</u>
<b>December 31, 2021</b>					
Equal to or greater than 0% but less than 2%	\$ 5,229	\$ 135	\$ —	\$ 131	\$ 5,495
Equal to or greater than 2% but less than 4%	1,374	50	23	—	1,447
Equal to or greater than 4%	793	—	—	29	822
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	129
Total	<u>\$ 7,396</u>	<u>\$ 185</u>	<u>\$ 23</u>	<u>\$ 160</u>	<u>\$ 7,893</u>

**RIS**

**Capital Markets Investment Products and Stable Value GICs**

The RIS segment’s capital markets investment products and stable value GICs in PABs are investment-type products, mainly funding agreements.

In addition, certain subsidiaries of the Company have entered into funding agreements with FHLBNY and a subsidiary of the Federal Agricultural Mortgage Corporation, a federally chartered instrumentality of the U.S. (“Farmer Mac”). The PAB balances for FHLBNY funding agreements were \$14.6 billion and \$14.9 billion at December 31, 2023 and 2022, respectively. These advances are collateralized by residential mortgage-backed securities (“RMBS”) with an estimated fair value of \$17.8 billion and \$17.9 billion at December 31, 2023 and 2022, respectively. The applicable subsidiary of the Company is permitted to withdraw any portion of the collateral in the custody of FHLBNY as long as there is no event of default and the remaining qualified collateral is sufficient to satisfy the collateral maintenance level. Upon any event of default by such subsidiary, FHLBNY’s recovery on the collateral is limited to the amount of such subsidiary’s liability to FHLBNY. The PAB balances for the Farmer Mac funding agreements were \$2.1 billion at both December 31, 2023 and 2022. The obligations under the Farmer Mac funding agreements are secured by a pledge of certain eligible agricultural mortgage loans and may, under certain circumstances, be secured by other qualified collateral. The carrying value of such collateral was \$2.2 billion and \$2.1 billion at December 31, 2023 and 2022, respectively.



MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

5. Policyholder Account Balances (continued)

Information regarding the RIS segment's capital markets investment products and stable value GICs in PABs was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(Dollars in millions)		
Balance at January 1,	\$ 63,723	\$ 62,521	\$ 62,908
Deposits	69,229	81,050	76,672
Surrenders and withdrawals	(71,938)	(80,382)	(77,524)
Interest credited	2,091	1,276	914
Effect of foreign currency translation and other, net	1,035	(742)	(449)
Balance at December 31,	<u>\$ 64,140</u>	<u>\$ 63,723</u>	<u>\$ 62,521</u>
Weighted-average annual crediting rate	<u>3.3 %</u>	<u>2.0 %</u>	<u>1.5 %</u>
Cash surrender value at period end	<u>\$ 2,126</u>	<u>\$ 2,071</u>	<u>\$ 1,882</u>

The RIS segment's capital markets investment products and stable value GICs account values by range of GMCR and the related range of differences between rates being credited to policyholders and the respective guaranteed minimums were as follows at:

Range of GMCR	At GMCR	Greater than 0% but less than 0.50% above GMCR	Equal to or greater than 0.50% but less than 1.50% above GMCR	Equal to or greater than 1.50% above GMCR	Total Account Value
(In millions)					
<b>December 31, 2023</b>					
Equal to or greater than 0% but less than 2%	\$ —	\$ —	\$ 1	\$ 2,621	\$ 2,622
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	61,518
Total	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1</u>	<u>\$ 2,621</u>	<u>\$ 64,140</u>
<b>December 31, 2022</b>					
Equal to or greater than 0% but less than 2%	\$ —	\$ —	\$ 1	\$ 3,553	\$ 3,554
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	60,169
Total	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1</u>	<u>\$ 3,553</u>	<u>\$ 63,723</u>
<b>December 31, 2021</b>					
Equal to or greater than 0% but less than 2%	\$ —	\$ 632	\$ 4,142	\$ 10	\$ 4,784
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	57,737
Total	<u>\$ —</u>	<u>\$ 632</u>	<u>\$ 4,142</u>	<u>\$ 10</u>	<u>\$ 62,521</u>

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**5. Policyholder Account Balances (continued)**

*Annuities and Risk Solutions*

The RIS segment's annuities and risk solutions PABs include certain structured settlements and institutional income annuities, and benefit funding solutions that include postretirement benefits and company-, bank- or trust-owned life insurance used to finance nonqualified benefit programs for executives. Information regarding this liability was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(Dollars in millions)		
Balance at January 1,	\$ 15,549	\$ 14,431	\$ 13,643
Deposits	2,734	1,843	1,615
Policy charges	(178)	(153)	(126)
Surrenders and withdrawals	(210)	(120)	(442)
Benefit payments	(812)	(739)	(704)
Net transfers from (to) separate accounts	53	(26)	11
Interest credited	637	543	517
Other	(62)	(230)	(83)
Balance at December 31,	<u>\$ 17,711</u>	<u>\$ 15,549</u>	<u>\$ 14,431</u>
Weighted-average annual crediting rate	<u>3.9 %</u>	<u>3.7 %</u>	<u>3.8 %</u>
At period end:			
Cash surrender value	<u>\$ 7,912</u>	<u>\$ 7,331</u>	<u>\$ 6,559</u>
Net amount at risk, excluding offsets from ceded reinsurance:			
In the event of death (1)	<u>\$ 40,397</u>	<u>\$ 40,607</u>	<u>\$ 38,066</u>

- (1) For benefits that are payable in the event of death, the net amount at risk is generally defined as the current death benefit in excess of the current account balance at the balance sheet date. It represents the amount of the claim that the Company would incur if death claims were filed on all contracts at the balance sheet date.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

5. Policyholder Account Balances (continued)

The RIS segment's annuities and risk solutions account values by range of GMCR and the related range of differences between rates being credited to policyholders and the respective guaranteed minimums were as follows at:

Range of GMCR	At GMCR	Greater than 0% but less than 0.50% above GMCR	Equal to or greater than 0.50% but less than 1.50% above GMCR  (In millions)	Equal to or greater than 1.50% above GMCR	Total Account Value
<b>December 31, 2023</b>					
Equal to or greater than 0% but less than 2%	\$ —	\$ —	\$ 20	\$ 1,651	\$ 1,671
Equal to or greater than 2% but less than 4%	249	34	105	432	820
Equal to or greater than 4%	4,346	—	282	5	4,633
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	10,587
Total	\$ 4,595	\$ 34	\$ 407	\$ 2,088	\$ 17,711
<b>December 31, 2022</b>					
Equal to or greater than 0% but less than 2%	\$ —	\$ —	\$ 64	\$ 1,232	\$ 1,296
Equal to or greater than 2% but less than 4%	301	39	124	375	839
Equal to or greater than 4%	4,446	122	63	4	4,635
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	8,779
Total	\$ 4,747	\$ 161	\$ 251	\$ 1,611	\$ 15,549
<b>December 31, 2021</b>					
Equal to or greater than 0% but less than 2%	\$ —	\$ —	\$ 115	\$ 490	\$ 605
Equal to or greater than 2% but less than 4%	258	36	125	469	888
Equal to or greater than 4%	4,435	126	54	5	4,620
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	8,318
Total	\$ 4,693	\$ 162	\$ 294	\$ 964	\$ 14,431

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**5. Policyholder Account Balances (continued)**

***Asia***

*Universal and Variable Universal Life*

The Asia segment's universal and variable universal life PABs in Japan primarily include interest sensitive whole life products. Information regarding this liability was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(Dollars in millions)		
Balance at January 1,	\$ 46,417	\$ 46,590	\$ 43,868
Deposits	7,595	5,673	6,487
Policy charges	(1,210)	(1,103)	(1,178)
Surrenders and withdrawals	(2,959)	(2,993)	(1,265)
Benefit payments	(508)	(502)	(514)
Interest credited	1,408	1,066	1,199
Effect of foreign currency translation and other, net	(1,004)	(2,314)	(2,007)
Balance at December 31,	<u>\$ 49,739</u>	<u>\$ 46,417</u>	<u>\$ 46,590</u>
Weighted-average annual crediting rate	<u>3.0 %</u>	<u>2.3 %</u>	<u>2.7 %</u>
At period end:			
Cash surrender value	<u>\$ 42,577</u>	<u>\$ 39,737</u>	<u>\$ 43,329</u>
Net amount at risk, excluding offsets from reinsurance:			
In the event of death (1)	<u>\$ 93,172</u>	<u>\$ 95,412</u>	<u>\$ 104,551</u>

- (1) For benefits that are payable in the event of death, the net amount at risk is generally defined as the current death benefit in excess of the current account balance at the balance sheet date. It represents the amount of the claim that the Company would incur if death claims were filed on all contracts at the balance sheet date.

**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**5. Policyholder Account Balances (continued)**

The Asia segment's universal and variable universal life account values by range of GMCR and the related range of differences between rates being credited to policyholders and the respective guaranteed minimums were as follows at:

Range of GMCR	At GMCR	Greater than 0% but less than 0.50% above GMCR	Equal to or greater than 0.50% but less than 1.50% above GMCR  (In millions)	Equal to or greater than 1.50% above GMCR	Total Account Value
<b>December 31, 2023</b>					
Equal to or greater than 0% but less than 2%	\$ 10,640	\$ 24	\$ 231	\$ 1,001	\$ 11,896
Equal to or greater than 2% but less than 4%	5,932	15,634	7,801	7,669	37,036
Equal to or greater than 4%	250	—	—	—	250
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	557
Total	\$ 16,822	\$ 15,658	\$ 8,032	\$ 8,670	\$ 49,739
<b>December 31, 2022</b>					
Equal to or greater than 0% but less than 2%	\$ 10,965	\$ 76	\$ 138	\$ 75	\$ 11,254
Equal to or greater than 2% but less than 4%	21,184	2,847	5,583	4,846	34,460
Equal to or greater than 4%	265	—	—	—	265
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	438
Total	\$ 32,414	\$ 2,923	\$ 5,721	\$ 4,921	\$ 46,417
<b>December 31, 2021</b>					
Equal to or greater than 0% but less than 2%	\$ 11,754	\$ 152	\$ —	\$ —	\$ 11,906
Equal to or greater than 2% but less than 4%	21,672	2,625	5,160	4,517	33,974
Equal to or greater than 4%	282	—	—	—	282
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	428
Total	\$ 33,708	\$ 2,777	\$ 5,160	\$ 4,517	\$ 46,590

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**5. Policyholder Account Balances (continued)**

*Fixed Annuities*

Information regarding the Asia segment's fixed annuity PABs in Japan was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(Dollars in millions)		
Balance at January 1,	\$ 32,454	\$ 30,976	\$ 31,422
Deposits	8,115	7,813	3,681
Policy charges	(2)	(2)	(3)
Surrenders and withdrawals	(2,344)	(4,024)	(1,260)
Benefit payments	(2,156)	(2,014)	(2,500)
Interest credited	866	623	617
Effect of foreign currency translation and other, net	(70)	(918)	(981)
Balance at December 31,	<u>\$ 36,863</u>	<u>\$ 32,454</u>	<u>\$ 30,976</u>
Weighted-average annual crediting rate	<u>2.5 %</u>	<u>2.0 %</u>	<u>2.0 %</u>
At period end:			
Cash surrender value	<u>\$ 31,936</u>	<u>\$ 27,902</u>	<u>\$ 29,835</u>
Net amount at risk, excluding offsets from reinsurance:			
In the event of death (1)	<u>\$ 73</u>	<u>\$ 1</u>	<u>\$ 64</u>

- (1) For benefits that are payable in the event of death, the net amount at risk is generally defined as the current death benefit in excess of the current account balance at the balance sheet date. It represents the amount of the claim that the Company would incur if death claims were filed on all contracts at the balance sheet date.

**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**5. Policyholder Account Balances (continued)**

The Asia segment's fixed annuities account values by range of GMCR and the related range of differences between rates being credited to policyholders and the respective guaranteed minimums were as follows at:

Range of GMCR	At GMCR	Greater than 0% but less than 0.50% above GMCR	Equal to or greater than 0.50% but less than 1.50% above GMCR	Equal to or greater than 1.50% above GMCR	Total Account Value
			(In millions)		
<b>December 31, 2023</b>					
Equal to or greater than 0% but less than 2%	\$ 322	\$ 584	\$ 6,274	\$ 28,343	\$ 35,523
Equal to or greater than 2% but less than 4%	—	5	—	—	5
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	1,335
Total	\$ 322	\$ 589	\$ 6,274	\$ 28,343	\$ 36,863
<b>December 31, 2022</b>					
Equal to or greater than 0% but less than 2%	\$ 438	\$ 664	\$ 7,160	\$ 22,755	\$ 31,017
Equal to or greater than 2% but less than 4%	—	6	—	—	6
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	1,431
Total	\$ 438	\$ 670	\$ 7,160	\$ 22,755	\$ 32,454
<b>December 31, 2021</b>					
Equal to or greater than 0% but less than 2%	\$ 264	\$ 1,153	\$ 8,100	\$ 19,817	\$ 29,334
Equal to or greater than 2% but less than 4%	8	—	—	—	8
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	1,634
Total	\$ 272	\$ 1,153	\$ 8,100	\$ 19,817	\$ 30,976

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**5. Policyholder Account Balances (continued)**

***EMEA***

*Variable Annuities*

Information regarding the EMEA segment’s variable annuity PABs in the United Kingdom (“U.K.”) was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(Dollars in millions)		
Balance at January 1,	\$ 2,802	\$ 4,215	\$ 4,779
Deposits	4	5	8
Policy charges	(63)	(73)	(95)
Surrenders and withdrawals	(285)	(313)	(483)
Benefit payments	(125)	(137)	(157)
Interest credited (1)	228	(465)	208
Effect of foreign currency translation and other, net	159	(430)	(45)
Balance at December 31,	<u>\$ 2,720</u>	<u>\$ 2,802</u>	<u>\$ 4,215</u>
Weighted-average annual crediting rate	<u>8.6 %</u>	<u>(12.4) %</u>	<u>4.7 %</u>
At period end:			
Cash surrender value	<u>\$ 2,720</u>	<u>\$ 2,802</u>	<u>\$ 4,215</u>
Net amount at risk, excluding offsets from reinsurance:			
In the event of death (2)	<u>\$ 456</u>	<u>\$ 557</u>	<u>\$ 182</u>
At annuitization or exercise of other living benefits (3)	<u>\$ 585</u>	<u>\$ 699</u>	<u>\$ 257</u>

- (1) Interest credited on EMEA’s variable annuity products represents gains or losses which are passed through to the policyholder based on the underlying unit-linked investment fund returns, which may be positive or negative depending on market conditions. There are no GMCR on these products.
- (2) For benefits that are payable in the event of death, the net amount at risk is generally defined as the current death benefit in excess of the current account balance at the balance sheet date. It represents the amount of the claim that the Company would incur if death claims were filed on all contracts at the balance sheet date.
- (3) For benefits that are payable in the event of annuitization or exercise of other living benefits, the net amount at risk is generally defined as the amount (if any) that would be required to be added to the total account value to purchase a lifetime income stream, based on current annuity rates or to provide other living benefits. This amount represents the Company’s potential economic exposure in the event all contractholders were to annuitize or to exercise other living benefits at the balance sheet date.



**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**5. Policyholder Account Balances (continued)**

***MetLife Holdings***

*Annuities*

The MetLife Holdings segment’s annuity PABs primarily includes fixed deferred annuities, the fixed account portion of variable annuities, certain income annuities, and embedded derivatives related to equity-indexed annuities. Information regarding this liability was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(Dollars in millions)		
Balance at January 1,	\$ 13,286	\$ 14,398	\$ 15,234
Deposits	176	233	284
Policy charges	(15)	(16)	(16)
Surrenders and withdrawals	(1,981)	(1,494)	(1,380)
Benefit payments	(420)	(415)	(413)
Net transfers from (to) separate accounts	72	198	237
Interest credited	396	406	425
Other	23	(24)	27
Balance at December 31,	<u>\$ 11,537</u>	<u>\$ 13,286</u>	<u>\$ 14,398</u>
Weighted-average annual crediting rate	<u>3.3 %</u>	<u>3.0 %</u>	<u>3.0 %</u>
At period end:			
Cash surrender value	<u>\$ 10,904</u>	<u>\$ 12,373</u>	<u>\$ 13,256</u>
Net amount at risk, excluding offsets from ceded reinsurance (1):			
In the event of death (2)	<u>\$ 2,821</u>	<u>\$ 4,354</u>	<u>\$ 1,119</u>
At annuitization or exercise of other living benefits (3)	<u>\$ 688</u>	<u>\$ 960</u>	<u>\$ 581</u>

- (1) Includes amounts for certain variable annuities recorded as PABs with the related guarantees recorded as MRBs which are disclosed in “MetLife Holdings – Annuities” in Note 6.
- (2) For benefits that are payable in the event of death, the net amount at risk is generally defined as the current death benefit in excess of the current account balance at the balance sheet date. It represents the amount of the claim that the Company would incur if death claims were filed on all contracts at the balance sheet date.
- (3) For benefits that are payable in the event of annuitization or exercise of other living benefits, the net amount at risk is generally defined as the amount (if any) that would be required to be added to the total account value to purchase a lifetime income stream, based on current annuity rates or to provide other living benefits. This amount represents the Company’s potential economic exposure in the event all contractholders were to annuitize or to exercise other living benefits at the balance sheet date.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

5. Policyholder Account Balances (continued)

The MetLife Holdings segment's annuities account values by range of GMCR and the related range of differences between rates being credited to policyholders and the respective guaranteed minimums were as follows at:

Range of GMCR	At GMCR	Greater than 0% but less than 0.50% above GMCR	Equal to or greater than 0.50% but less than 1.50% above GMCR	Equal to or greater than 1.50% above GMCR	Total Account Value
(In millions)					
<b>December 31, 2023</b>					
Equal to or greater than 0% but less than 2%	\$ 36	\$ 307	\$ 378	\$ 252	\$ 973
Equal to or greater than 2% but less than 4%	1,033	7,205	459	202	8,899
Equal to or greater than 4%	788	411	32	—	1,231
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	434
Total	<u>\$ 1,857</u>	<u>\$ 7,923</u>	<u>\$ 869</u>	<u>\$ 454</u>	<u>\$ 11,537</u>
<b>December 31, 2022</b>					
Equal to or greater than 0% but less than 2%	\$ 934	\$ 4	\$ 8	\$ 16	\$ 962
Equal to or greater than 2% but less than 4%	9,388	892	191	12	10,483
Equal to or greater than 4%	1,261	43	5	—	1,309
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	532
Total	<u>\$ 11,583</u>	<u>\$ 939</u>	<u>\$ 204</u>	<u>\$ 28</u>	<u>\$ 13,286</u>
<b>December 31, 2021</b>					
Equal to or greater than 0% but less than 2%	\$ 1,066	\$ 7	\$ 14	\$ 11	\$ 1,098
Equal to or greater than 2% but less than 4%	10,679	299	197	1	11,176
Equal to or greater than 4%	1,307	40	5	—	1,352
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	772
Total	<u>\$ 13,052</u>	<u>\$ 346</u>	<u>\$ 216</u>	<u>\$ 12</u>	<u>\$ 14,398</u>

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**5. Policyholder Account Balances (continued)**

*Life and Other*

The MetLife Holdings segment's life and other PABs include retained asset accounts, universal life products, the fixed account of variable life insurance products and funding agreements. Information regarding this liability was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(Dollars in millions)		
Balance at January 1,	\$ 12,402	\$ 12,699	\$ 12,856
Deposits	783	895	1,172
Policy charges	(702)	(718)	(731)
Surrenders and withdrawals	(1,171)	(785)	(887)
Benefit payments	(152)	(183)	(213)
Net transfers from (to) separate accounts	35	29	32
Interest credited	445	460	470
Other	1	5	—
Balance at December 31,	<u>\$ 11,641</u>	<u>\$ 12,402</u>	<u>\$ 12,699</u>
Weighted-average annual crediting rate	<u>3.8 %</u>	<u>3.7 %</u>	<u>3.8 %</u>
At period end:			
Cash surrender value	<u>\$ 11,177</u>	<u>\$ 11,882</u>	<u>\$ 12,170</u>
Net amount at risk, excluding offsets from ceded reinsurance:			
In the event of death (1), (2)	<u>\$ 67,786</u>	<u>\$ 71,548</u>	<u>\$ 73,840</u>

- (1) For benefits that are payable in the event of death, the net amount at risk is generally defined as the current death benefit in excess of the current account balance at the balance sheet date. It represents the amount of the claim that the Company would incur if death claims were filed on all contracts at the balance sheet date.
- (2) Taking into consideration reinsurance, the net amount at risk at December 31, 2023, 2022 and 2021 as presented in the above table, would be reduced by 99%, 65%, and 66%, respectively.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**5. Policyholder Account Balances (continued)**

The MetLife Holdings segment's life and other products account values by range of GMCR and the related range of differences between rates being credited to policyholders and the respective guaranteed minimums were as follows at:

Range of GMCR	At GMCR	Greater than 0% but less than 0.50% above GMCR	Equal to or greater than 0.50% but less than 1.50% above GMCR	Equal to or greater than 1.50% above GMCR	Total Account Value
	(In millions)				
<b>December 31, 2023</b>					
Equal to or greater than 0% but less than 2%	\$ —	\$ —	\$ 16	\$ 55	\$ 71
Equal to or greater than 2% but less than 4%	4,453	171	280	549	5,453
Equal to or greater than 4%	5,066	124	413	13	5,616
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	501
Total	<u>\$ 9,519</u>	<u>\$ 295</u>	<u>\$ 709</u>	<u>\$ 617</u>	<u>\$ 11,641</u>
<b>December 31, 2022</b>					
Equal to or greater than 0% but less than 2%	\$ —	\$ 20	\$ 50	\$ 5	\$ 75
Equal to or greater than 2% but less than 4%	5,025	144	441	410	6,020
Equal to or greater than 4%	5,253	128	420	5	5,806
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	501
Total	<u>\$ 10,278</u>	<u>\$ 292</u>	<u>\$ 911</u>	<u>\$ 420</u>	<u>\$ 12,402</u>
<b>December 31, 2021</b>					
Equal to or greater than 0% but less than 2%	\$ 26	\$ 8	\$ —	\$ —	\$ 34
Equal to or greater than 2% but less than 4%	5,122	145	313	571	6,151
Equal to or greater than 4%	5,448	132	427	6	6,013
Products with either a fixed rate or no guaranteed minimum crediting rate	N/A	N/A	N/A	N/A	501
Total	<u>\$ 10,596</u>	<u>\$ 285</u>	<u>\$ 740</u>	<u>\$ 577</u>	<u>\$ 12,699</u>

**6. Market Risk Benefits**

The Company establishes liabilities for certain retirement assurance and variable annuity contract features which include a minimum benefit guarantee that provides to the contractholder a minimum return based on their initial deposit less withdrawals. In some cases, the benefit base may be increased by additional deposits, bonus amounts, accruals or optional market value resets.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**6. Market Risk Benefits (continued)**

The LDTI transition adjustments related to MRB liabilities, as described in Note 1, were as follows at the Transition Date:

	Asia Retirement Assurance	MetLife Holdings Annuities	Other	Total
	(In millions)			
Direct and assumed MRB liabilities at December 31, 2020	\$ —	\$ —	\$ —	\$ —
Reclassification of carrying amounts of contracts and contract features that are market risk benefits	247	2,291	251	2,789
Adjustments for the cumulative effect of changes in nonperformance risk between contract issue date and Transition Date	(7)	(54)	(38)	(99)
Adjustments for the difference between the fair value of the MRB balance, excluding the cumulative effect of changes in nonperformance risk, and the historical carrying value	78	4,764	369	5,211
Direct and assumed MRB liabilities at January 1, 2021	<u>\$ 318</u>	<u>\$ 7,001</u>	<u>\$ 582</u>	<u>\$ 7,901</u>
Reinsured MRB assets at December 31, 2020	\$ —	\$ —	\$ —	\$ —
Reclassification of carrying amounts of contracts and contract features that are market risk benefits	—	—	63	63
Adjustments for the difference between previous carrying amounts and fair value measurements	—	—	(12)	\$ (12)
Reinsured MRB assets at January 1, 2021 (1)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 51</u>	<u>\$ 51</u>

- (1) Reinsured MRB assets are classified within premiums, reinsurance and other receivables on the consolidated balance sheets.

The Company's MRB assets and MRB liabilities on the consolidated balance sheets were as follows at:

	December 31,					
	2023			2022		
	Asset	Liability	Net	Asset	Liability	Net
	(In millions)					
Asia - Retirement Assurance	\$ —	\$ 203	\$ 203	\$ —	\$ 226	\$ 226
MetLife Holdings - Annuities	156	2,878	2,722	153	3,378	3,225
Other	130	98	(32)	127	159	32
Total	<u>\$ 286</u>	<u>\$ 3,179</u>	<u>\$ 2,893</u>	<u>\$ 280</u>	<u>\$ 3,763</u>	<u>\$ 3,483</u>

***Rollforwards***

The following information about the direct and assumed liability for MRBs includes disaggregated rollforwards. The products grouped within these rollforwards were selected based upon common characteristics and valuations using similar inputs, judgments, assumptions and methodologies within a particular segment of the business.

***Asia - Retirement Assurance***

The Asia segment's retirement assurance product in Japan offers a contract feature where the Company guarantees the greater of the account value or a return of premium accumulated at a guaranteed rate upon maturity. Information regarding this liability was as follows:

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**6. Market Risk Benefits (continued)**

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Balance at January 1,	\$ 226	\$ 277	\$ 318
Balance, beginning of period, before effect of cumulative changes in the instrument-specific credit risk	\$ 233	\$ 284	\$ 326
Attributed fees collected	3	3	4
Benefit payments	(12)	—	(7)
Effect of changes in interest rates	1	(25)	(6)
Effect of changes in equity index volatility	—	—	(3)
Actual policyholder behavior different from expected behavior	(1)	6	(16)
Effect of changes in future expected policyholder behavior and other assumptions	(1)	5	—
Effect of foreign currency translation and other, net	(18)	(40)	(14)
Balance, end of period, before the cumulative effect of changes in the instrument-specific credit risk	205	233	284
Cumulative effect of changes in the instrument-specific credit risk	(2)	(8)	(8)
Effect of foreign currency translation on the cumulative instrument-specific credit risk	—	1	1
Balance at December 31,	\$ 203	\$ 226	\$ 277
At period end:			
Net amount at risk, excluding offsets from hedging:			
At annuitization or exercise of other living benefits (1)	\$ 119	\$ 127	\$ 119
Weighted-average attained age of contractholders:			
At annuitization or exercise of other living benefits (1)	58 years	58 years	57 years

- (1) For benefits that are payable in the event of annuitization or exercise of other living benefits, the net amount at risk is generally defined as the amount (if any) that would be required to be added to the total account value to purchase a lifetime income stream, based on current annuity rates or to provide other living benefits. This amount represents the Company's potential economic exposure in the event all contractholders were to annuitize or to exercise other living benefits at the balance sheet date.

**Significant Methodologies and Assumptions**

The Company issues certain retirement assurance products with guarantees that meet the definition of MRBs, which are measured, in aggregate, as one compound MRB, at estimated fair value, with changes in estimated fair value reported in net income, except for changes in nonperformance risk of the Company which are recorded in OCI.

The Company calculates the fair value of these MRBs, which is estimated as the present value of projected future benefits minus the present value of projected attributed fees, using actuarial and capital market assumptions including expectations concerning policyholder behavior. The calculation is based on in-force business, projecting future cash flows from the MRB over multiple risk neutral stochastic scenarios using observable risk-free rates.

Capital market assumptions, such as risk-free rates and implied volatilities, are based on market prices for publicly traded instruments to the extent that prices for such instruments are observable. Implied volatilities beyond the observable period are extrapolated based on observable implied volatilities and historical volatilities. Actuarial assumptions, including mortality, lapse, withdrawal and utilization, are unobservable and are reviewed at least annually based on actuarial studies of historical experience. See Note 13 for additional information on significant unobservable inputs.

The valuation of these MRBs includes a nonperformance risk adjustment and adjustments for a risk margin related to non-capital market inputs. The nonperformance adjustment is determined by taking into consideration publicly available information relating to spreads in the secondary market for MetLife, Inc.'s debt, including related credit default swaps. These observable spreads are then adjusted, as necessary, to reflect the priority of these liabilities and the claims paying ability of the issuing insurance subsidiaries as compared to MetLife, Inc.

**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**6. Market Risk Benefits (continued)**

Risk margins are established to capture the non-capital market risks of the instrument which represent the additional compensation a market participant would require to assume the risks related to the uncertainties of such actuarial assumptions at annuitization, premium persistency, partial withdrawal and surrenders. The establishment of risk margins requires the use of significant management judgment, including assumptions of the amount and cost of capital needed to cover the guarantees.

These guarantees may be more costly than expected in volatile or declining equity markets. Market conditions including, changes in interest rates, equity indices, market volatility and foreign currency exchange rates; and variations in actuarial assumptions regarding policyholder behavior, mortality and risk margins related to non-capital market inputs, impact the estimated fair value of the guarantees and affect net income, and changes in nonperformance risk of the Company affect OCI.

***MetLife Holdings - Annuities***

The MetLife Holdings segment's variable annuity products offer contract features where the Company guarantees to the contractholder a minimum benefit, which includes guaranteed minimum death benefits ("GMDBs") and living benefit guarantees. The GMDB contract features include return of premium, which provides a return of the purchase payment upon death, annual step-up and roll-up and step-up combinations. The living benefit guarantees contract features primarily include guaranteed minimum income benefits ("GMIBs"), which provide a minimum accumulation of purchase payments that can be annuitized to receive a monthly income stream, and guaranteed minimum withdrawal benefits ("GMWBs"), which provide a series of withdrawals, provided that withdrawals in a contract year do not exceed a contractual limit. This segment also includes an in-force block of assumed variable annuity guarantees from a third party. Information regarding MetLife Holdings annuity products (including assumed reinsurance) was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Balance at January 1,	\$ 3,225	\$ 5,929	\$ 7,001
Balance, beginning of period, before effect of cumulative changes in the instrument-specific credit risk	\$ 3,360	\$ 6,229	\$ 7,055
Attributed fees collected	377	387	413
Benefit payments	(58)	(42)	(41)
Effect of changes in interest rates	(161)	(3,610)	(536)
Effect of changes in capital markets	(900)	861	(1,163)
Effect of changes in equity index volatility	(135)	38	25
Actual policyholder behavior different from expected behavior	144	20	(92)
Effect of changes in future expected policyholder behavior and other assumptions (1)	9	(328)	563
Effect of foreign currency translation and other, net (2)	152	36	350
Effect of changes in risk margin	(16)	(231)	(345)
Balance, end of period, before the cumulative effect of changes in the instrument-specific credit risk	2,772	3,360	6,229
Cumulative effect of changes in the instrument-specific credit risk	(54)	(130)	(304)
Effect of foreign currency translation on the cumulative instrument-specific credit risk	4	(5)	4
Balance at December 31,	\$ 2,722	\$ 3,225	\$ 5,929
At period end:			
Net amount at risk, excluding offsets from hedging (3):			
In the event of death (4)	\$ 2,828	\$ 4,387	\$ 1,131
At annuitization or exercise of other living benefits (5)	\$ 675	\$ 1,141	\$ 565
Weighted-average attained age of contractholders:			
In the event of death (4)	70 years	69 years	70 years
At annuitization or exercise of other living benefits (5)	70 years	71 years	68 years

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**6. Market Risk Benefits (continued)**

- (1) For the year ended December 31, 2022, the effect of changes in future expected policyholder behavior and other assumptions was primarily driven by changes in policyholder behavior assumptions relating to projected annuitizations for variable annuities.
- (2) Included is the covariance impact from aggregating the market observable inputs, mostly driven by interest rate and capital market volatility.
- (3) Includes amounts for certain variable annuities guarantees recorded as MRBs on contracts also recorded as PABs which are disclosed in “MetLife Holdings – Annuities” in Note 5.
- (4) For those guarantees of benefits that are payable in the event of death, the net amount at risk is generally defined as the current guaranteed minimum death benefit in excess of the current account balance at the balance sheet date. It represents the amount of the claim that the Company would incur if death claims were filed on all contracts at the balance sheet date.
- (5) For benefits that are payable in the event of annuitization or exercise of other living benefits, the net amount at risk is generally defined as the amount (if any) that would be required to be added to the total account value to purchase a lifetime income stream, based on current annuity rates or to provide other living benefits. This amount represents the Company’s potential economic exposure in the event all contractholders were to annuitize or to exercise other living benefits at the balance sheet date.

***Significant Methodologies and Assumptions***

The Company issues GMDBs, GMWBs, guaranteed minimum accumulation benefits (“GMABs”) and GMIBs that typically meet the definition of MRBs, which are measured, in aggregate, as one compound MRB, at estimated fair value separately from the variable annuity contract, with changes in estimated fair value reported in net income, except for changes in nonperformance risk of the Company which are recorded in OCI.

The Company calculates the fair value of these MRBs, which is estimated as the present value of projected future benefits minus the present value of projected attributed fees, using actuarial and capital market assumptions including expectations concerning policyholder behavior. The calculation is based on in-force business, projecting future cash flows from the MRB over multiple risk neutral stochastic scenarios using observable risk-free rates.

Capital market assumptions, such as risk-free rates and implied volatilities, are based on market prices for publicly traded instruments to the extent that prices for such instruments are observable. Implied volatilities beyond the observable period are extrapolated based on observable implied volatilities and historical volatilities. Actuarial assumptions, including mortality, lapse, withdrawal and utilization, are unobservable and are reviewed at least annually based on actuarial studies of historical experience. See Note 13 for additional information on significant unobservable inputs.

The valuation of these MRBs includes a nonperformance risk adjustment and adjustments for a risk margin related to non-capital market inputs. The nonperformance adjustment is determined by taking into consideration publicly available information relating to spreads in the secondary market for MetLife, Inc.’s debt, including related credit default swaps. These observable spreads are then adjusted, as necessary, to reflect the priority of these liabilities and the claims paying ability of the issuing insurance subsidiaries as compared to MetLife, Inc.

Risk margins are established to capture the non-capital market risks of the instrument which represent the additional compensation a market participant would require to assume the risks related to the uncertainties of such actuarial assumptions at annuitization, premium persistency, partial withdrawal and surrenders. The establishment of risk margins requires the use of significant management judgment, including assumptions of the amount and cost of capital needed to cover the guarantees.

These guarantees may be more costly than expected in volatile or declining equity markets. Market conditions including, changes in interest rates, equity indices, market volatility and foreign currency exchange rates; and variations in actuarial assumptions regarding policyholder behavior, mortality and risk margins related to non-capital market inputs, impact the estimated fair value of the guarantees and affect net income, and changes in nonperformance risk of the Company affect OCI.



**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**6. Market Risk Benefits (continued)**
***Other***

In addition to the disaggregated MRB product rollforwards above, the Company offers other products with guaranteed minimum benefit features across various segments. These MRBs are measured at estimated fair value, with changes in estimated fair value reported in net income, except for changes in nonperformance risk of the Company which are recorded in OCI. See Note 13 for additional information on significant unobservable inputs used in the fair value measurement of MRBs. Information regarding these product liabilities was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Balance at January 1,	\$ 32	\$ 491	\$ 582
Balance, beginning of period, before effect of cumulative changes in the instrument-specific credit risk	\$ 24	\$ 539	\$ 619
Attributed fees collected	34	61	72
Benefit payments	(28)	(4)	(2)
Effect of changes in interest rates	(3)	(499)	(227)
Effect of changes in capital markets	(41)	139	(110)
Effect of changes in equity index volatility	(6)	31	4
Actual policyholder behavior different from expected behavior	(22)	(12)	29
Effect of changes in future expected policyholder behavior and other assumptions	2	(1)	56
Effect of foreign currency translation and other, net	(9)	(224)	100
Effect of changes in risk margin	(1)	(6)	(2)
Balance, end of period, before the cumulative effect of changes in the instrument-specific credit risk	(50)	24	539
Cumulative effect of changes in the instrument-specific credit risk	17	7	(49)
Effect of foreign currency translation on the cumulative instrument-specific credit risk	1	1	1
Net balance at December 31,	(32)	32	491
Less: Reinsurance recoverable	18	23	33
Balance at December 31,	\$ (50)	\$ 9	\$ 458

**7. Separate Accounts**

Separate account assets consist of investment accounts established and maintained by the Company. The investment objectives of these assets are directed by the contractholder. An equivalent amount is reported as separate account liabilities. These accounts are reported separately from the general account assets and liabilities.

Separate account assets and liabilities include two categories of account types: pass-through separate accounts totaling \$115.6 billion and \$108.9 billion at December 31, 2023 and 2022, respectively, for which the contractholder assumes all investment risk, and separate accounts for which the Company contractually guarantees either a minimum return or account value to the contractholder which totaled \$29.0 billion and \$37.1 billion at December 31, 2023 and 2022, respectively. The latter category consisted primarily of GICs. The average interest rate credited on these contracts was 2.6% and 2.5% at December 31, 2023 and 2022, respectively.

***Separate Account Liabilities***

The Company's separate account liabilities on the consolidated balance sheets were as follows at:

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

7. Separate Accounts (continued)

	December 31, 2023	December 31, 2022
	(In millions)	
RIS:		
Stable Value and Risk Solutions	\$ 41,343	\$ 48,265
Annuities	11,659	11,694
Latin America - Pensions	41,320	39,428
MetLife Holdings - Annuities	29,224	28,499
Other	21,088	18,152
Total	<u>\$ 144,634</u>	<u>\$ 146,038</u>

**Rollforwards**

The following information about the separate account liabilities includes disaggregated rollforwards. The products grouped within these rollforwards were selected based upon common characteristics and valuations using similar inputs, judgments, assumptions and methodologies within a particular segment of the business.

The separate account liabilities are primarily comprised of the following: RIS stable value and risk solutions contracts, RIS annuities participating and non-participating group contracts, Latin America savings-oriented pension product in Chile under a mandatory privatized social security system, and MetLife Holdings variable annuities.

The balances of and changes in separate account liabilities were as follows:

	RIS Stable Value and Risk Solutions	RIS Annuities	Latin America Pensions	MetLife Holdings Annuities
	(In millions)			
<b>Balance, January 1, 2021</b>	\$ 62,150	\$ 21,895	\$ 50,075	\$ 40,825
Premiums and deposits	3,676	944	6,251	298
Policy charges	(302)	(35)	(228)	(789)
Surrenders and withdrawals	(8,170)	(2,457)	(4,432)	(4,461)
Benefit payments	(142)	—	(6,410)	(500)
Investment performance	833	1,189	825	5,037
Net transfers from (to) general account	(41)	30	—	(237)
Effect of foreign currency translation and other, net	469	(274)	(8,450)	—
<b>Balance, December 31, 2021</b>	<u>\$ 58,473</u>	<u>\$ 21,292</u>	<u>\$ 37,631</u>	<u>\$ 40,173</u>
Premiums and deposits	5,253	1,233	7,058	267
Policy charges	(309)	(25)	(253)	(665)
Surrenders and withdrawals	(5,885)	(7,481)	(5,155)	(2,911)
Benefit payments	(125)	—	(1,559)	(431)
Investment performance	(4,503)	(2,823)	1,490	(7,738)
Net transfers from (to) general account	82	(56)	—	(199)
Effect of foreign currency translation and other, net (1)	(4,721)	(446)	216	3
<b>Balance, December 31, 2022</b>	<u>\$ 48,265</u>	<u>\$ 11,694</u>	<u>\$ 39,428</u>	<u>\$ 28,499</u>
Premiums and deposits	2,203	175	7,936	256
Policy charges	(285)	(21)	(287)	(609)
Surrenders and withdrawals	(11,123)	(944)	(5,781)	(2,948)
Benefit payments	(99)	—	(1,702)	(464)
Investment performance	2,595	774	2,814	4,561
Net transfers from (to) general account	(56)	3	—	(74)
Effect of foreign currency translation and other, net	(157)	(22)	(1,088)	3
<b>Balance, December 31, 2023</b>	<u>\$ 41,343</u>	<u>\$ 11,659</u>	<u>\$ 41,320</u>	<u>\$ 29,224</u>
Cash surrender value at December 31, 2021 (2)	<u>\$ 48,276</u>	<u>N/A</u>	<u>\$ 37,631</u>	<u>\$ 39,932</u>
Cash surrender value at December 31, 2022 (2)	<u>\$ 42,728</u>	<u>N/A</u>	<u>\$ 39,428</u>	<u>\$ 28,348</u>
Cash surrender value at December 31, 2023 (2)	<u>\$ 35,950</u>	<u>N/A</u>	<u>\$ 41,320</u>	<u>\$ 29,078</u>

**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**7. Separate Accounts (continued)**

- (1) The effect of foreign currency translation and other, net for RIS stable value and risk solutions primarily includes changes related to unsettled trades of mortgage-backed securities.
- (2) Cash surrender value represents the amount of the contractholders' account balances distributable at the balance sheet date less policy loans and certain surrender charges.

**Separate Account Assets**

The Company's aggregate fair value of assets, by major investment asset category, supporting separate account liabilities was as follows at:

	December 31, 2023						
	Group Benefits	RIS	Asia	Latin America	EMEA	MetLife Holdings	Total
	(In millions)						
Fixed maturity securities:							
Bonds:							
Foreign government	\$ —	\$ 509	\$ 1,190	\$ 1,051	\$ 2,638	\$ —	\$ 5,388
U.S. government and agency	—	9,673	—	9,920	—	18	19,611
Public utilities	—	1,077	308	—	—	4	1,389
Municipals	—	380	31	—	—	13	424
Corporate bonds:							
Materials	—	144	—	—	—	—	144
Communications	—	893	8	—	—	3	904
Consumer	—	1,882	39	—	—	8	1,929
Energy	—	911	105	—	—	2	1,018
Financial	—	2,717	551	6,006	398	15	9,687
Industrial and other	—	764	38	3,598	—	3	4,403
Technology	—	547	—	—	—	3	550
Foreign	—	1,920	—	3,095	27	13	5,055
Total corporate bonds	—	9,778	741	12,699	425	47	23,690
Total bonds	—	21,417	2,270	23,670	3,063	82	50,502
Mortgage-backed securities	—	9,671	—	—	—	35	9,706
Asset-backed securities and collateralized loan obligations	—	2,557	18	—	—	11	2,586
Redeemable preferred stock	—	9	—	—	—	—	9
Total fixed maturity securities	—	33,654	2,288	23,670	3,063	128	62,803
Equity securities:							
Common stock:							
Industrial, miscellaneous and all other	—	2,411	2,661	2,453	677	—	8,202
Banks, trust and insurance companies	—	731	269	392	341	—	1,733
Public utilities	—	67	19	—	72	—	158
Non-redeemable preferred stock	—	—	115	—	—	—	115
Mutual funds	1,159	8,517	2,929	10,099	109	35,418	58,231
Total equity securities	1,159	11,726	5,993	12,944	1,199	35,418	68,439
Other invested assets	—	1,620	403	4,212	30	—	6,265
Total investments	1,159	47,000	8,684	40,826	4,292	35,546	137,507
Other assets	—	6,093	503	494	35	2	7,127
Total	<u>\$ 1,159</u>	<u>\$ 53,093</u>	<u>\$ 9,187</u>	<u>\$ 41,320</u>	<u>\$ 4,327</u>	<u>\$ 35,548</u>	<u>\$ 144,634</u>

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

7. Separate Accounts (continued)

	December 31, 2022						
	Group Benefits (1)	RIS (1)	Asia	Latin America	EMEA	MetLife Holdings	Total
	(In millions)						
Fixed maturity securities:							
Bonds:							
Foreign government	\$ —	\$ 588	\$ 1,047	\$ 593	\$ 1,988	\$ —	\$ 4,216
U.S. government and agency	—	11,340	—	8,828	—	13	20,181
Public utilities	—	1,183	281	—	—	4	1,468
Municipals	—	504	33	—	—	12	549
Corporate bonds:							
Materials	—	242	—	—	—	—	242
Communications	—	1,182	8	—	—	3	1,193
Consumer	—	2,393	—	—	—	7	2,400
Energy	—	866	103	—	—	1	970
Financial	—	3,538	527	7,389	444	16	11,914
Industrial and other	—	882	186	3,635	—	3	4,706
Technology	—	717	—	—	—	3	720
Foreign	—	2,473	—	4,018	21	12	6,524
Total corporate bonds	—	12,293	824	15,042	465	45	28,669
Total bonds	—	25,908	2,185	24,463	2,453	74	55,083
Mortgage-backed securities	—	12,328	—	—	—	32	12,360
Asset-backed securities and collateralized loan obligations	—	2,926	28	—	—	14	2,968
Redeemable preferred stock	—	4	—	—	—	—	4
Total fixed maturity securities	—	41,166	2,213	24,463	2,453	120	70,415
Equity securities:							
Common stock:							
Industrial, miscellaneous and all other	—	2,910	2,330	2,100	475	—	7,815
Banks, trust and insurance companies	—	599	270	347	188	—	1,404
Public utilities	—	96	27	—	45	—	168
Non-redeemable preferred stock	—	2	—	—	—	—	2
Mutual funds	988	7,259	2,607	8,639	75	33,848	53,416
Total equity securities	988	10,866	5,234	11,086	783	33,848	62,805
Other invested assets	2	1,863	411	3,687	43	—	6,006
Total investments	990	53,895	7,858	39,236	3,279	33,968	139,226
Other assets	—	6,145	434	192	35	6	6,812
Total	\$ 990	\$ 60,040	\$ 8,292	\$ 39,428	\$ 3,314	\$ 33,974	\$ 146,038

(1) See Note 2 for information on the reorganization of the Company's segments.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

8. Deferred Policy Acquisition Costs, Value of Business Acquired, Unearned Revenue and Other Intangibles

The transition adjustments related to DAC, VOBA, UREV and negative VOBA, as described in Note 1, were as follows at the Transition Date:

	Group Benefits (1)	RIS (1)	Asia	Latin America	EMEA	MetLife Holdings	Corporate & Other	Total
(In millions)								
<b>DAC:</b>								
Balance at December 31, 2020	\$ 279	\$ 130	\$ 7,432	\$ 1,344	\$ 1,551	\$ 2,679	\$ 31	\$ 13,446
Removal of related amounts in AOCI	—	—	2,309	50	—	1,621	—	3,980
Other adjustments upon adoption of the LDTI standard	—	—	—	—	14	11	—	25
Balance at January 1, 2021	<u>\$ 279</u>	<u>\$ 130</u>	<u>\$ 9,741</u>	<u>\$ 1,394</u>	<u>\$ 1,565</u>	<u>\$ 4,311</u>	<u>\$ 31</u>	<u>\$ 17,451</u>
<b>VOBA:</b>								
Balance at December 31, 2020	\$ —	\$ 25	\$ 1,901	\$ 748	\$ 236	\$ 33	\$ —	\$ 2,943
Removal of related amounts in AOCI	—	—	14	8	—	5	—	27
Other adjustments upon adoption of the LDTI standard	—	—	—	—	(4)	—	—	(4)
Balance at January 1, 2021	<u>\$ —</u>	<u>\$ 25</u>	<u>\$ 1,915</u>	<u>\$ 756</u>	<u>\$ 232</u>	<u>\$ 38</u>	<u>\$ —</u>	<u>\$ 2,966</u>
<b>UREV:</b>								
Balance at December 31, 2020	\$ —	\$ 42	\$ 587	\$ 740	\$ 556	\$ 188	\$ —	\$ 2,113
Removal of related amounts in AOCI	—	—	1,029	95	(81)	—	—	1,043
Other adjustments upon adoption of the LDTI standard	—	—	—	—	7	—	—	7
Balance at January 1, 2021	<u>\$ —</u>	<u>\$ 42</u>	<u>\$ 1,616</u>	<u>\$ 835</u>	<u>\$ 482</u>	<u>\$ 188</u>	<u>\$ —</u>	<u>\$ 3,163</u>
<b>Negative VOBA:</b>								
Balance at December 31, 2020								\$ 738
Reclassification of carrying amounts of contracts and contract features that are market risk benefits								(72)
Balance at January 1, 2021								<u>\$ 666</u>

(1) See Note 2 for information on the reorganization of the Company's segments.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

8. Deferred Policy Acquisition Costs, Value of Business Acquired, Unearned Revenue and Other Intangibles (continued)

**DAC and VOBA**

Information regarding total DAC and VOBA by segment, as well as Corporate & Other, was as follows at:

	Group Benefits (1)	RIS (1)	Asia (2)	Latin America (3)	EMEA (3)	MetLife Holdings (4)	Corporate & Other	Total
(In millions)								
<b>DAC:</b>								
Balance at January 1, 2021	\$ 279	\$ 130	\$ 9,741	\$ 1,394	\$ 1,565	\$ 4,311	\$ 31	\$ 17,451
Capitalizations (5)	19	95	1,601	406	499	31	100	2,751
Amortization (5)	(26)	(34)	(655)	(311)	(360)	(313)	(107)	(1,806)
Effect of foreign currency translation and other, net (5)	—	—	(629)	(128)	(129)	—	8	(878)
Reclassified to assets held-for-sale (6)	—	—	—	—	(103)	—	—	(103)
Balance at December 31, 2021	272	191	10,058	1,361	1,472	4,029	32	17,415
Capitalizations	18	113	1,530	494	422	29	8	2,614
Amortization	(26)	(37)	(644)	(361)	(311)	(267)	(9)	(1,655)
Effect of foreign currency translation and other, net	—	—	(674)	48	(103)	—	(1)	(730)
Balance at December 31, 2022	264	267	10,270	1,542	1,480	3,791	30	17,644
Capitalizations	20	176	1,583	651	457	22	8	2,917
Amortization	(26)	(46)	(705)	(418)	(332)	(255)	(9)	(1,791)
Effect of foreign currency translation and other, net (7)	—	—	(284)	175	13	(287)	1	(382)
Balance at December 31, 2023	<u>\$ 258</u>	<u>\$ 397</u>	<u>\$ 10,864</u>	<u>\$ 1,950</u>	<u>\$ 1,618</u>	<u>\$ 3,271</u>	<u>\$ 30</u>	<u>\$ 18,388</u>
<b>VOBA:</b>								
Balance at January 1, 2021	\$ —	\$ 25	\$ 1,915	\$ 756	\$ 232	\$ 38	\$ —	\$ 2,966
Amortization	—	(3)	(131)	(61)	(29)	(7)	—	(231)
Effect of foreign currency translation and other, net	—	—	(191)	(104)	(15)	—	—	(310)
Reclassified to assets held-for-sale (6)	—	—	—	—	(34)	—	—	(34)
Balance at December 31, 2021	—	22	1,593	591	154	31	—	2,391
Amortization	—	(3)	(101)	(49)	(20)	(3)	—	(176)
Effect of foreign currency translation and other, net	—	—	(202)	3	(7)	—	—	(206)
Balance at December 31, 2022	—	19	1,290	545	127	28	—	2,009
Amortization	—	(3)	(89)	(50)	(16)	(3)	—	(161)
Effect of foreign currency translation and other, net (7)	—	—	(82)	2	2	(7)	—	(85)
Balance at December 31, 2023	<u>\$ —</u>	<u>\$ 16</u>	<u>\$ 1,119</u>	<u>\$ 497</u>	<u>\$ 113</u>	<u>\$ 18</u>	<u>\$ —</u>	<u>\$ 1,763</u>
<b>Total DAC and VOBA:</b>								
Balance at December 31, 2021								<u>\$ 19,806</u>
Balance at December 31, 2022								<u>\$ 19,653</u>
Balance at December 31, 2023								<u>\$ 20,151</u>

(1) See Note 2 for information on the reorganization of the Company's segments.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**8. Deferred Policy Acquisition Costs, Value of Business Acquired, Unearned Revenue and Other Intangibles (continued)**

- (2) Includes DAC balances primarily related to accident & health, universal and variable universal life, variable life and fixed annuity products and VOBA balances primarily related to accident & health products.
- (3) Includes DAC balances primarily related to universal life and variable universal life products.
- (4) Includes DAC balances primarily related to universal life, variable universal life, whole life, term life and variable annuity products.
- (5) Corporate & Other includes activity related to MetLife P&C, a former subsidiary of the Company, that was previously reported in the former U.S. segment. See Notes 2 and 3.
- (6) See Note 3 for information on the Company’s dispositions.
- (7) MetLife Holdings segment includes activity for total DAC and total VOBA ceded at the date of inception related to a reinsurance agreement. See Note 9 for further information on the transaction.

**Significant Methodologies and Assumptions**

The Company amortizes DAC and VOBA related to long-duration contracts over the estimated lives of the contracts in proportion to benefits in-force for RIS annuities and policy count for all other products. The amortization amount is calculated using the same cohorts as the corresponding liabilities on a quarterly basis, using an amortization rate that includes current period reporting experience and end of period persistency and longevity assumptions that are consistent with those used to measure the corresponding liabilities.

The Company amortizes DAC for credit insurance and other short-duration contracts, which is primarily comprised of commissions and certain underwriting expenses, in proportion to actual and future earned premium over the applicable contract term.

Information regarding other intangibles was as follows:

	<b>Years Ended December 31,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
	<b>(In millions)</b>		
<b>VODA and VOCRA:</b>			
Balance at January 1,	\$ 876	\$ 972	\$ 1,099
Acquisitions	—	—	—
Amortization	(88)	(92)	(100)
Effect of foreign currency translation and other	6	(4)	(27)
Balance at December 31,	<u>\$ 794</u>	<u>\$ 876</u>	<u>\$ 972</u>
Accumulated amortization	<u>\$ 755</u>	<u>\$ 667</u>	<u>\$ 575</u>
<b>Negative VOBA:</b>			
Balance at January 1,	\$ 473	\$ 557	\$ 666
Amortization	(26)	(29)	(35)
Effect of foreign currency translation and other	(20)	(55)	(74)
Balance at December 31,	<u>\$ 427</u>	<u>\$ 473</u>	<u>\$ 557</u>
Accumulated amortization	<u>\$ 3,398</u>	<u>\$ 3,372</u>	<u>\$ 3,343</u>

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

8. Deferred Policy Acquisition Costs, Value of Business Acquired, Unearned Revenue and Other Intangibles (continued)

The estimated future amortization expense (credit) to be reported in other expenses for the next five years is as follows:

	VOBA	VODA and VOCRA	Negative VOBA
	(In millions)		
2024	\$ 148	\$ 84	\$ (26)
2025	\$ 138	\$ 82	\$ (24)
2026	\$ 129	\$ 80	\$ (23)
2027	\$ 118	\$ 78	\$ (22)
2028	\$ 109	\$ 75	\$ (21)

**Unearned Revenue**

Information regarding the Company’s UREV primarily related to universal life and variable universal life products by segment included in other policy-related balances was as follows:

	RIS (1)	Asia	Latin America	EMEA	MetLife Holdings	Total
	(In millions)					
Balance at January 1, 2021	\$ 42	\$ 1,616	\$ 835	\$ 482	\$ 188	\$ 3,163
Deferrals	3	610	110	97	64	884
Amortization	(7)	(147)	(96)	(59)	(14)	(323)
Effect of foreign currency translation and other - net	—	(46)	(54)	1	—	(99)
Balance at December 31, 2021	38	2,033	795	521	238	3,625
Deferrals	5	546	134	111	60	856
Amortization	(7)	(144)	(116)	(59)	(17)	(343)
Effect of foreign currency translation and other - net	—	(53)	35	(14)	—	(32)
Balance at December 31, 2022	36	2,382	848	559	281	4,106
Deferrals	2	667	147	95	48	959
Amortization	(7)	(181)	(116)	(63)	(18)	(385)
Effect of foreign currency translation and other - net (2)	—	(18)	110	17	(252)	(143)
Balance at December 31, 2023	<u>\$ 31</u>	<u>\$ 2,850</u>	<u>\$ 989</u>	<u>\$ 608</u>	<u>\$ 59</u>	<u>\$ 4,537</u>

- (1) See Note 2 for information on the reorganization of the Company’s segments.
- (2) MetLife Holdings segment includes activity for total UREV ceded at the date of inception related to a reinsurance agreement. See Note 9 for further information on the transaction.

**Significant Methodologies and Assumptions**

UREV is amortized similarly to DAC and VOBA, see “— DAC and VOBA.”

**9. Reinsurance**

The Company enters into reinsurance agreements primarily as a purchaser of reinsurance for its various insurance products and also as a provider of reinsurance for some insurance products issued by third parties. The Company participates in reinsurance activities in order to limit losses, minimize exposure to significant risks and provide additional capacity for future growth.

Under the terms of the reinsurance agreements, the reinsurer agrees to reimburse the Company for the ceded amount in the event a claim is paid. Cessions under reinsurance agreements do not discharge the Company’s obligation as the primary insurer. In the event that reinsurers do not meet their obligations under the terms of the reinsurance agreements, reinsurance recoverable balances could become uncollectible.



**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****9. Reinsurance (continued)**

Accounting for reinsurance requires extensive use of assumptions and estimates, particularly related to the future performance of the underlying business and the potential impact of counterparty credit risks. The Company periodically reviews actual and anticipated experience compared to the aforementioned assumptions used to establish assets and liabilities relating to ceded and assumed reinsurance and evaluates the financial strength of counterparties to its reinsurance agreements using criteria similar to that evaluated in the security impairment process discussed in “ – Fixed Maturity Securities AFS – Evaluation of Fixed Maturity Securities AFS for Credit Loss” in Note 11.

***Group Benefits***

For its Group Benefits segment, the Company generally retains most of the risk, with the exception of its Group Term Life business and certain client arrangements.

The Company reinsures an 80% quota share of its Group Term Life business for capital management purposes. The majority of the Company’s other reinsurance activity within this segment relates to client agreements for employer sponsored captive programs, risk-sharing agreements and multinational pooling. The risks ceded under these agreements are generally quota shares of group life and disability policies. The cessions vary and the Company may cede up to 100% of all the risks of the policies.

***RIS***

The Company’s RIS segment has engaged in reinsurance activities on an opportunistic basis. The Company reinsures longevity risks for certain pension products issued by unaffiliated providers located in the U.K.

***Asia, Latin America and EMEA***

For selected large corporate clients, the Company reinsures group employee benefits or credit insurance business with various client-affiliated reinsurance companies, covering policies issued to the employees or customers of the clients. Additionally, the Company cedes and assumes risk with other insurance companies when either company requires a business partner with the appropriate local licensing to issue certain types of policies in certain jurisdictions. In these cases, the assuming company typically underwrites the risks, develops the products and assumes most or all of the risk. The Company also has reinsurance agreements in-force that reinsure a portion of the living and death benefit guarantees issued in connection with variable annuity products. Under these agreements, the Company pays reinsurance fees associated with the guarantees collected from policyholders and receives reimbursement for benefits paid or accrued in excess of account values, subject to certain limitations. The Company may also reinsure certain risks with external reinsurers depending upon the nature of the risk and local regulatory requirements.

***MetLife Holdings***

For its life products, the Company has historically reinsured the mortality risk primarily on an excess of retention basis or on a quota share basis. In addition to reinsuring mortality risk as described above, the Company reinsures other risks, as well as specific coverages. Placement of reinsurance is done primarily on an automatic basis and also on a facultative basis for risks with specified characteristics. The Company also assumes portions of the risk associated with certain whole life policies issued by a former affiliate and reinsures certain term life policies and universal life policies with secondary death benefit guarantees to such former affiliate. In 2023, the Company reinsured an in-force block of universal life, variable universal life, universal life with secondary guarantees and fixed annuities to a third party on a 100% quota share basis.

For its other products, the Company has a reinsurance agreement in-force to reinsure the living and death benefit guarantees issued in connection with certain variable annuity guarantees from a third party in Japan. Under this agreement, the Company receives reinsurance fees associated with the guarantees collected from policyholders, and provides reimbursement for benefits paid or accrued in excess of account values, subject to certain limitations.

***Catastrophe Coverage***

The Company has exposure to catastrophes which could contribute to significant fluctuations in the Company’s results of operations. For the Group Benefits and EMEA segments, the Company purchases catastrophe coverage to reinsure risks issued within territories that the Company believes are subject to the greatest catastrophic risks. For its other segments, the Company uses excess of retention and quota share reinsurance agreements to provide greater diversification of risk and minimize exposure to larger risks. Excess of retention reinsurance agreements provide for a portion of a risk to remain with the direct writing company and quota share reinsurance agreements provide for the direct writing company to transfer a fixed percentage of all risks of a class of policies.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****9. Reinsurance (continued)*****Reinsurance Recoverables***

The Company reinsures its business through a diversified group of well-capitalized reinsurers. The Company analyzes recent trends in arbitration and litigation outcomes in disputes, if any, with its reinsurers. The Company monitors ratings and evaluates the financial strength of its reinsurers by analyzing their financial statements. In addition, the reinsurance recoverable balance due from each reinsurer is evaluated as part of the overall monitoring process. Recoverability of reinsurance recoverable balances is evaluated based on these analyses. The Company generally secures large reinsurance recoverable balances with various forms of collateral, including secured trusts, funds withheld accounts and irrevocable letters of credit. These reinsurance recoverable balances are stated net of allowances for uncollectible reinsurance, which at December 31, 2023 and 2022, were not significant. A U.S. life insurance subsidiary of the Company also secured collateral from its counterparties to mitigate counterparty default risk related to its longevity reinsurance agreements.

The Company has secured certain reinsurance recoverable balances with various forms of collateral, including secured trusts, funds withheld accounts and irrevocable letters of credit. The Company had \$4.4 billion and \$3.8 billion of unsecured reinsurance recoverable balances at December 31, 2023 and 2022, respectively.

At December 31, 2023, the Company had \$16.7 billion of net ceded reinsurance recoverables. Of this total, \$14.1 billion, or 84%, were with the Company's five largest ceded reinsurers, including \$2.5 billion of net ceded reinsurance recoverables which were unsecured. At December 31, 2022, the Company had \$6.1 billion of net ceded reinsurance recoverables. Of this total, \$4.2 billion, or 69%, were with the Company's five largest ceded reinsurers, including \$2.3 billion of net ceded reinsurance recoverables which were unsecured.

The Company has reinsured, with an unaffiliated third-party reinsurer, 59% of the closed block through a modified coinsurance agreement. The Company accounts for this agreement under the deposit method of accounting. The Company, having the right of offset, has offset the modified coinsurance deposit liability with the deposit recoverable.

**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**9. Reinsurance (continued)**

The amounts on the consolidated statements of operations include the impact of reinsurance. Information regarding the significant effects of reinsurance was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
<b>Premiums</b>			
Direct premiums	\$ 43,359	\$ 47,618	\$ 40,377
Reinsurance assumed	3,112	3,035	2,909
Reinsurance ceded	(2,188)	(2,143)	(2,134)
Net premiums	<u>\$ 44,283</u>	<u>\$ 48,510</u>	<u>\$ 41,152</u>
<b>Universal life and investment-type product policy fees</b>			
Direct universal life and investment-type product policy fees	\$ 5,787	\$ 5,687	\$ 5,813
Reinsurance assumed	(19)	32	(13)
Reinsurance ceded	(616)	(494)	(556)
Net universal life and investment-type product policy fees	<u>\$ 5,152</u>	<u>\$ 5,225</u>	<u>\$ 5,244</u>
<b>Policyholder benefits and claims</b>			
Direct policyholder benefits and claims	\$ 44,155	\$ 49,308	\$ 43,199
Reinsurance assumed	2,904	2,604	2,546
Reinsurance ceded	(2,469)	(2,405)	(2,627)
Net policyholder benefits and claims	<u>\$ 44,590</u>	<u>\$ 49,507</u>	<u>\$ 43,118</u>
<b>Policyholder liability remeasurement (gains) losses</b>			
Direct policyholder liability remeasurement (gains) losses	\$ (54)	\$ 94	\$ (185)
Reinsurance assumed	(20)	9	21
Reinsurance ceded	29	11	(8)
Net policyholder liability remeasurement (gains) losses	<u>\$ (45)</u>	<u>\$ 114</u>	<u>\$ (172)</u>
<b>Market risk benefits remeasurement (gains) losses</b>			
Direct market risk benefits remeasurement (gains) losses	\$ (785)	\$ (3,636)	\$ (959)
Reinsurance assumed	(214)	(46)	(291)
Reinsurance ceded	5	8	13
Net market risk benefits remeasurement (gains) losses	<u>\$ (994)</u>	<u>\$ (3,674)</u>	<u>\$ (1,237)</u>
<b>Other expenses</b>			
Direct other expenses	\$ 12,760	\$ 11,854	\$ 11,984
Reinsurance assumed	235	268	329
Reinsurance ceded	(285)	(263)	(295)
Net other expenses	<u>\$ 12,710</u>	<u>\$ 11,859</u>	<u>\$ 12,018</u>

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**9. Reinsurance (continued)**

The amounts on the consolidated balance sheets include the impact of reinsurance. Information regarding the significant effects of reinsurance was as follows at:

	December 31,							
	2023				2022			
	Direct	Assumed	Ceded	Total Balance Sheet	Direct	Assumed	Ceded	Total Balance Sheet
	(In millions)							
<b>Assets</b>								
Premiums, reinsurance and other receivables	\$ 6,044	\$ 1,405	\$ 21,522	\$ 28,971	\$ 5,427	\$ 1,505	\$ 10,432	\$ 17,364
Market risk benefits	279	7	—	286	273	7	—	280
Deferred policy acquisition costs and value of business acquired	20,297	353	(499)	20,151	19,522	352	(221)	19,653
<b>Total assets</b>	<b>\$ 26,620</b>	<b>\$ 1,765</b>	<b>\$ 21,023</b>	<b>\$ 49,408</b>	<b>\$ 25,222</b>	<b>\$ 1,864</b>	<b>\$ 10,211</b>	<b>\$ 37,297</b>
<b>Liabilities</b>								
Future policy benefits	\$ 192,424	\$ 3,982	\$ —	\$ 196,406	\$ 183,377	\$ 3,845	\$ —	\$ 187,222
Market risk benefits	3,141	38	—	3,179	3,591	172	—	3,763
Other policy-related balances	18,852	1,152	(268)	19,736	17,250	1,183	(9)	18,424
Other liabilities	27,125	1,892	6,788	35,805	18,654	2,006	5,273	25,933
<b>Total liabilities</b>	<b>\$ 241,542</b>	<b>\$ 7,064</b>	<b>\$ 6,520</b>	<b>\$ 255,126</b>	<b>\$ 222,872</b>	<b>\$ 7,206</b>	<b>\$ 5,264</b>	<b>\$ 235,342</b>

Reinsurance agreements that do not expose the Company to a reasonable possibility of a significant loss from insurance risk are recorded using the deposit method of accounting. Included in the above table are deposit assets on reinsurance of \$5.1 billion and \$1.9 billion at December 31, 2023 and 2022, respectively. Also, included in the table above are deposit liabilities on reinsurance of \$1.3 billion and \$1.4 billion at December 31, 2023 and 2022, respectively.

In November 2023, the Company completed a risk transfer transaction with subsidiaries of Global Atlantic Financial Group, a retirement and life insurance company, to reinsure an in-force block of universal life, variable universal life, universal life with secondary guarantees, and fixed annuities, which are reported in the MetLife Holdings segment. The Company entered into reinsurance agreements on a coinsurance basis for the general account products and on a modified coinsurance basis for the separate account products. The Company recorded reinsurance recoverables and deposit receivables of \$10.3 billion at December 31, 2023 reported in premiums, reinsurance and other receivables. At inception of the agreement, in addition to recording the amount recoverable, the Company (i) transferred to the reinsurer \$9.5 billion of assets primarily consisting of fixed maturity securities AFS and mortgage loans supporting the general account liabilities reduced by a \$2.2 billion pre-tax ceding commission, (ii) retained \$5.0 billion separate account assets under the modified coinsurance arrangement and (iii) recorded the net cost of reinsurance of \$770 million within other liabilities, related to universal life, variable universal life and universal life with secondary guarantees reinsured. The net cost of reinsurance will be amortized on a basis consistent with the methodologies and assumptions used for amortizing DAC related to the underlying reinsured contracts in policyholder benefits and claims.

As part of this transaction, the Company's investment management business entered into investment advisory and other agreements with subsidiaries of Global Atlantic Financial Group to serve as the investment manager for certain of the transferred general account assets. With certain exceptions, the agreements contemplate a term of five years.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****10. Closed Block**

On April 7, 2000 (the “Demutualization Date”), Metropolitan Life Insurance Company (“MLIC”) converted from a mutual life insurance company to a stock life insurance company and became a wholly-owned subsidiary of MetLife, Inc. The conversion was pursuant to an order by the New York Superintendent of Insurance approving MLIC’s plan of reorganization, as amended (the “Plan of Reorganization”). On the Demutualization Date, MLIC established a closed block for the benefit of holders of certain individual life insurance policies of MLIC. Assets have been allocated to the closed block in an amount that has been determined to produce cash flows which, together with anticipated revenues from the policies included in the closed block, are reasonably expected to be sufficient to support obligations and liabilities relating to these policies, including, but not limited to, provisions for the payment of claims and certain expenses and taxes, and to provide for the continuation of policyholder dividend scales in effect for 1999, if the experience underlying such dividend scales continues, and for appropriate adjustments in such scales if the experience changes. At least annually, the Company compares actual and projected experience against the experience assumed in the then-current dividend scales. Dividend scales are adjusted periodically to give effect to changes in experience.

The closed block assets, the cash flows generated by the closed block assets and the anticipated revenues from the policies in the closed block will benefit only the holders of the policies in the closed block. To the extent that, over time, cash flows from the assets allocated to the closed block and claims and other experience related to the closed block are, in the aggregate, more or less favorable than what was assumed when the closed block was established, total dividends paid to closed block policyholders in the future may be greater than or less than the total dividends that would have been paid to these policyholders if the policyholder dividend scales in effect for 1999 had been continued. Any cash flows in excess of amounts assumed will be available for distribution over time to closed block policyholders and will not be available to stockholders. If the closed block has insufficient funds to make guaranteed policy benefit payments, such payments will be made from assets outside of the closed block. The closed block will continue in effect as long as any policy in the closed block remains in-force. The expected life of the closed block is over 100 years from the Demutualization Date.

The Company uses the same accounting principles to account for the participating policies included in the closed block as it used prior to the Demutualization Date. However, the Company establishes a policyholder dividend obligation for earnings that will be paid to policyholders as additional dividends as described below. The excess of closed block liabilities over closed block assets at the Demutualization Date (adjusted to eliminate the impact of related amounts in AOCI) represents the estimated maximum future earnings from the closed block expected to result from operations, attributed net of income tax, to the closed block. Earnings of the closed block are recognized in income over the period the policies and contracts in the closed block remain in-force.

If, over the period the closed block remains in existence, the actual cumulative earnings of the closed block are greater than the expected cumulative earnings of the closed block, the Company will pay the excess to closed block policyholders as additional policyholder dividends unless offset by future unfavorable experience of the closed block and, accordingly, will recognize only the expected cumulative earnings in income with the excess recorded as a policyholder dividend obligation. If over such period, the actual cumulative earnings of the closed block are less than the expected cumulative earnings of the closed block, the Company will recognize only the actual earnings in income. However, the Company may change policyholder dividend scales in the future, which would be intended to increase future actual earnings until the actual cumulative earnings equal the expected cumulative earnings.

At least annually, management performs a premium deficiency test using best estimate assumptions to determine whether the projected future earnings of the closed block are sufficient to support the payment of future closed block contractual benefits. The most recent deficiency test demonstrated that the projected future earnings of the closed block are sufficient to support the payment of future closed block contractual benefits.

Experience within the closed block, in particular mortality and investment yields, as well as realized and unrealized gains and losses, directly impact the policyholder dividend obligation. Amortization of the closed block DAC, which resides outside of the closed block, is based upon policy count within the closed block.

Closed block assets, liabilities, revenues and expenses are combined on a line-by-line basis with the assets, liabilities, revenues and expenses outside the closed block based on the nature of the particular item.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**10. Closed Block (continued)**

Information regarding the liabilities and assets designated to the closed block was as follows at:

	December 31,	
	2023	2022
(In millions)		
<b>Closed Block Liabilities</b>		
Future policy benefits	\$ 36,142	\$ 37,222
Other policy-related balances	319	273
Policyholder dividends payable	174	181
Other liabilities	668	455
Total closed block liabilities	<u>37,303</u>	<u>38,131</u>
<b>Assets Designated to the Closed Block</b>		
Investments:		
Fixed maturity securities available-for-sale, at estimated fair value	19,939	19,648
Equity securities, at estimated fair value	10	13
Mortgage loans	6,151	6,564
Policy loans	3,960	4,084
Real estate and real estate joint ventures	668	635
Other invested assets	496	692
Total investments	<u>31,224</u>	<u>31,636</u>
Cash and cash equivalents	717	437
Accrued investment income	383	375
Premiums, reinsurance and other receivables	54	52
Current income tax recoverable	3	88
Deferred income tax asset	312	423
Total assets designated to the closed block	<u>32,693</u>	<u>33,011</u>
Excess of closed block liabilities over assets designated to the closed block	<u>4,610</u>	<u>5,120</u>
AOCI:		
Unrealized investment gains (losses), net of income tax	(820)	(1,357)
Unrealized gains (losses) on derivatives, net of income tax	130	262
Total amounts included in AOCI	<u>(690)</u>	<u>(1,095)</u>
Maximum future earnings to be recognized from closed block assets and liabilities	<u>\$ 3,920</u>	<u>\$ 4,025</u>

Information regarding the closed block policyholder dividend obligation was as follows:

	Years Ended December 31,		
	2023	2022	2021
(In millions)			
Balance at January 1,	\$ —	\$ 1,682	\$ 2,969
Change in unrealized investment and derivative gains (losses)	—	(1,682)	(1,287)
Balance at December 31,	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,682</u>

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**10. Closed Block (continued)**

Information regarding the closed block revenues and expenses was as follows:

	Years Ended December 31,		
	2023	2022	2021
(In millions)			
<b>Revenues</b>			
Premiums	\$ 922	\$ 1,104	\$ 1,298
Net investment income	1,362	1,382	1,541
Net investment gains (losses)	7	(51)	(36)
Net derivative gains (losses)	—	33	18
Total revenues	<u>2,291</u>	<u>2,468</u>	<u>2,821</u>
<b>Expenses</b>			
Policyholder benefits and claims	1,706	1,890	2,150
Policyholder dividends	366	458	626
Other expenses	86	90	96
Total expenses	<u>2,158</u>	<u>2,438</u>	<u>2,872</u>
Revenues, net of expenses before provision for income tax expense (benefit)	133	30	(51)
Provision for income tax expense (benefit)	28	6	(11)
Revenues, net of expenses and provision for income tax expense (benefit)	<u>\$ 105</u>	<u>\$ 24</u>	<u>\$ (40)</u>

MLIC charges the closed block with federal income taxes, state and local premium taxes and other state or local taxes, as well as investment management expenses relating to the closed block as provided in the Plan of Reorganization. MLIC also charges the closed block for expenses of maintaining the policies included in the closed block.

**11. Investments**

See Note 13 for information about the fair value hierarchy for investments and the related valuation methodologies.

***Investment Risks and Uncertainties***

Investments are exposed to the following primary sources of risk: credit, interest rate, liquidity, market valuation, currency and real estate risk. The financial statement risks, stemming from such investment risks, are those associated with the determination of estimated fair values, the diminished ability to sell certain investments in times of strained market conditions, the recognition of ACL and impairments, the recognition of income on certain investments and the potential consolidation of VIEs. The use of different methodologies, assumptions and inputs relating to these financial statement risks may have a material effect on the amounts presented within the consolidated financial statements.

The determination of ACL and impairments is highly subjective and is based upon quarterly evaluations and assessments of known and inherent risks associated with the respective asset class. Such evaluations and assessments are revised as conditions change and new information becomes available.

The recognition of income on certain investments (e.g. structured securities, including mortgage-backed securities, asset-backed securities and collateralized loan obligations (“ABS & CLO”), certain structured investment transactions and FVO securities) is dependent upon certain factors such as prepayments and defaults, and changes in such factors could result in changes in amounts to be earned.

## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 11. Investments (continued)

*Fixed Maturity Securities AFS**Fixed Maturity Securities AFS by Sector*

The following table presents fixed maturity securities AFS by sector. U.S. corporate and foreign corporate sectors include redeemable preferred stock. RMBS includes agency, prime, prime investor, non-qualified residential mortgage, alternative, reperforming and sub-prime mortgage-backed securities. ABS & CLO includes securities collateralized by consumer loans, corporate loans and broadly syndicated bank loans. Municipals includes taxable and tax-exempt revenue bonds and, to a much lesser extent, general obligations of states, municipalities and political subdivisions. Commercial mortgage-backed securities (“CMBS”) primarily includes securities collateralized by multiple commercial mortgage loans. RMBS, ABS & CLO and CMBS are, collectively, “Structured Products.”

Sector	December 31,									
	2023					2022				
	Amortized Cost	Allowance for Credit Loss	Gross Unrealized		Estimated Fair Value	Amortized Cost	Allowance for Credit Loss	Gross Unrealized		Estimated Fair Value
			Gains	Losses				Gains	Losses	
(In millions)										
U.S. corporate	\$ 85,563	\$ (68)	\$ 1,894	\$ 6,672	\$ 80,717	\$ 88,466	\$ (29)	\$ 1,133	\$ 9,540	\$ 80,030
Foreign corporate	59,123	(2)	1,750	5,427	55,444	59,696	(5)	1,213	8,332	52,572
Foreign government	48,260	(88)	1,754	4,437	45,489	50,047	(130)	1,876	5,046	46,747
U.S. government and agency	35,374	—	590	3,712	32,252	35,658	—	431	3,860	32,229
RMBS	31,479	(1)	353	2,735	29,096	29,496	—	187	3,518	26,165
ABS & CLO	17,910	(7)	54	663	17,294	17,991	—	23	1,192	16,822
Municipals	11,991	—	408	1,228	11,171	13,548	—	317	1,713	12,152
CMBS	10,855	(18)	73	961	9,949	11,123	(19)	59	1,100	10,063
Total fixed maturity securities AFS	<u>\$ 300,555</u>	<u>\$ (184)</u>	<u>\$ 6,876</u>	<u>\$ 25,835</u>	<u>\$ 281,412</u>	<u>\$ 306,025</u>	<u>\$ (183)</u>	<u>\$ 5,239</u>	<u>\$ 34,301</u>	<u>\$ 276,780</u>

*Methodology for Amortization of Premium and Accretion of Discount on Structured Products*

Amortization of premium and accretion of discount on Structured Products considers the estimated timing and amount of prepayments of the underlying loans. Actual prepayment experience is periodically reviewed and effective yields are recalculated when differences arise between the originally anticipated and the actual prepayments received and currently anticipated. Prepayment assumptions for Structured Products are estimated using inputs obtained from third-party specialists and based on management’s knowledge of the current market. For credit-sensitive and certain prepayment-sensitive Structured Products, the effective yield is recalculated on a prospective basis. For all other Structured Products, the effective yield is recalculated on a retrospective basis.

*Maturities of Fixed Maturity Securities AFS*

The amortized cost, net of ACL, and estimated fair value of fixed maturity securities AFS, by contractual maturity date, were as follows at December 31, 2023:

	Due in One Year or Less	Due After One Year Through Five Years	Due After Five Years Through Ten Years	Due After Ten Years	Structured Products	Total Fixed Maturity Securities AFS
Amortized cost, net of ACL	\$ 9,644	\$ 48,922	\$ 51,837	\$ 129,750	\$ 60,218	\$ 300,371
Estimated fair value	\$ 9,677	\$ 48,325	\$ 50,598	\$ 116,473	\$ 56,339	\$ 281,412

Actual maturities may differ from contractual maturities due to the exercise of call or prepayment options. Fixed maturity securities AFS not due at a single maturity date have been presented in the year of final contractual maturity. Structured Products are shown separately, as they are not due at a single maturity.



## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 11. Investments (continued)

***Continuous Gross Unrealized Losses for Fixed Maturity Securities AFS by Sector***

The following table presents the estimated fair value and gross unrealized losses of fixed maturity securities AFS in an unrealized loss position without an ACL by sector and aggregated by length of time that the securities have been in a continuous unrealized loss position.

Sector & Credit Quality	December 31,							
	2023				2022			
	Less than 12 Months		Equal to or Greater than 12 Months		Less than 12 Months		Equal to or Greater than 12 Months	
	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses
	(Dollars in millions)							
U.S. corporate	\$ 4,722	\$ 420	\$ 45,373	\$ 6,208	\$ 55,210	\$ 7,573	\$ 6,484	\$ 1,965
Foreign corporate	3,210	187	32,355	5,240	31,932	5,999	8,956	2,332
Foreign government	3,913	246	19,715	4,187	16,568	2,170	8,308	2,874
U.S. government and agency	7,856	368	13,960	3,344	20,436	2,784	4,177	1,076
RMBS	3,465	60	17,128	2,675	16,223	1,890	6,650	1,628
ABS & CLO	1,662	31	11,438	629	10,924	712	4,326	480
Municipals	483	34	5,449	1,194	7,277	1,514	482	199
CMBS	1,034	36	6,671	917	6,890	764	2,037	335
Total fixed maturity securities AFS	<u>\$ 26,345</u>	<u>\$ 1,382</u>	<u>\$ 152,089</u>	<u>\$ 24,394</u>	<u>\$ 165,460</u>	<u>\$ 23,406</u>	<u>\$ 41,420</u>	<u>\$ 10,889</u>
Investment grade	\$ 24,834	\$ 1,287	\$ 146,138	\$ 23,675	\$ 157,654	\$ 22,713	\$ 38,785	\$ 10,298
Below investment grade	1,511	95	5,951	719	7,806	693	2,635	591
Total fixed maturity securities AFS	<u>\$ 26,345</u>	<u>\$ 1,382</u>	<u>\$ 152,089</u>	<u>\$ 24,394</u>	<u>\$ 165,460</u>	<u>\$ 23,406</u>	<u>\$ 41,420</u>	<u>\$ 10,889</u>
Total number of securities in an unrealized loss position	<u>2,922</u>		<u>13,049</u>		<u>15,204</u>		<u>4,303</u>	

***Evaluation of Fixed Maturity Securities AFS for Credit Loss****Evaluation and Measurement Methodologies*

Management considers a wide range of factors about the security issuer and uses its best judgment in evaluating the cause of the decline in the estimated fair value of the security and in assessing the prospects for near-term recovery. Inherent in management's evaluation of the security are assumptions and estimates about the operations of the issuer and its future earnings potential. Considerations used in the credit loss evaluation process include, but are not limited to: (i) the extent to which the estimated fair value has been below amortized cost, (ii) adverse conditions specifically related to a security, an industry sector or sub-sector, or an economically depressed geographic area, adverse change in the financial condition of the issuer of the security, changes in technology, discontinuance of a segment of the business that may affect future earnings, and changes in the quality of credit enhancement, (iii) payment structure of the security and likelihood of the issuer being able to make payments, (iv) failure of the issuer to make scheduled interest and principal payments, (v) whether the issuer, or series of issuers or an industry has suffered a catastrophic loss or has exhausted natural resources, (vi) whether the Company has the intent to sell or will more likely than not be required to sell, including transfers in connection with reinsurance transactions, a particular security before the decline in estimated fair value below amortized cost recovers, (vii) with respect to Structured Products, changes in forecasted cash flows after considering the changes in the financial condition of the underlying loan obligors and quality of underlying collateral, expected prepayment speeds, current and forecasted loss severity, consideration of the payment terms of the underlying assets backing a particular security, and the payment priority within the tranche structure of the security, (viii) changes in the rating of the security by a rating agency, and (ix) other subjective factors, including concentrations and information obtained from regulators.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****11. Investments (continued)**

The methodology and significant inputs used to determine the amount of credit loss are as follows:

- The Company calculates the recovery value by performing a discounted cash flow analysis based on the present value of future cash flows. The discount rate is generally the effective interest rate of the security at the time of purchase for fixed-rate securities and the spot rate at the date of evaluation of credit loss for floating-rate securities.
- When determining collectability and the period over which value is expected to recover, the Company applies considerations utilized in its overall credit loss evaluation process which incorporates information regarding the specific security, fundamentals of the industry and geographic area in which the security issuer operates, and overall macroeconomic conditions. Projected future cash flows are estimated using assumptions derived from management's single best estimate, the most likely outcome in a range of possible outcomes, after giving consideration to a variety of variables that include, but are not limited to: payment terms of the security; the likelihood that the issuer can service the interest and principal payments; the quality and amount of any credit enhancements; the security's position within the capital structure of the issuer; possible corporate restructurings or asset sales by the issuer; any private and public sector programs to restructure foreign government securities and municipals; and changes to the rating of the security or the issuer by rating agencies.
- Additional considerations are made when assessing the features that apply to certain Structured Products including, but not limited to: the quality of underlying collateral, historical performance of the underlying loan obligors, historical rent and vacancy levels, changes in the financial condition of the underlying loan obligors, expected prepayment speeds, current and forecasted loss severity, consideration of the payment terms of the underlying loans or assets backing a particular security, changes in the quality of credit enhancement and the payment priority within the tranche structure of the security.

With respect to securities that have attributes of debt and equity ("perpetual hybrid securities"), consideration is given in the credit loss analysis as to whether there has been any deterioration in the credit of the issuer and the likelihood of recovery in value of the securities that are in a severe unrealized loss position. Consideration is also given as to whether any perpetual hybrid securities with an unrealized loss, regardless of credit rating, have deferred any dividend payments.

In periods subsequent to the recognition of an initial ACL on a security, the Company reassesses credit loss quarterly. Subsequent increases or decreases in the expected cash flow from the security result in corresponding decreases or increases in the ACL which are recognized in earnings and reported within net investment gains (losses); however, the previously recorded ACL is not reduced to an amount below zero. Full or partial write-offs are deducted from the ACL in the period the security, or a portion thereof, is considered uncollectible. Recoveries of amounts previously written off are recorded to the ACL in the period received. When the Company has the intent-to-sell the security or it is more likely than not that the Company will be required to sell the security before recovery of its amortized cost, any ACL is written off and the amortized cost is written down to estimated fair value through a charge within net investment gains (losses), which becomes the new amortized cost of the security.

*Evaluation of Fixed Maturity Securities AFS in an Unrealized Loss Position*

Gross unrealized losses on securities without an ACL decreased \$8.5 billion for the year ended December 31, 2023 to \$25.8 billion primarily due to interest rate volatility, narrowing credit spreads, impairments in connection with a reinsurance transaction and, to a lesser extent, the strengthening of foreign currencies on certain non-functional currency denominated fixed maturity securities.

As shown above, most of the gross unrealized losses on securities without an ACL that have been in a continuous gross unrealized loss position for 12 months or greater at December 31, 2023 relate to investment grade securities. These unrealized losses are principally due to widening credit spreads since purchase and, with respect to fixed-rate securities, rising interest rates since purchase.

As of December 31, 2023, \$719 million of gross unrealized losses on securities without an ACL that have been in a continuous gross unrealized loss position for 12 months or greater on below investment grade securities were concentrated in the consumer, transportation, and communications sectors within corporate securities and in foreign government securities. These unrealized losses are the result of significantly wider credit spreads resulting from higher risk premiums since purchase, largely due to economic and market uncertainty and, with respect to fixed-rate securities, rising interest rates since purchase.

## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 11. Investments (continued)

At December 31, 2023, the Company did not intend to sell its securities in an unrealized loss position without an ACL, and it was not more likely than not that the Company would be required to sell these securities before the anticipated recovery of the remaining amortized cost. Therefore, the Company concluded that these securities had not incurred a credit loss and should not have an ACL at December 31, 2023.

Future provisions for credit loss will depend primarily on economic fundamentals, issuer performance (including changes in the present value of future cash flows expected to be collected), changes in credit ratings and collateral valuation.

***Rollforward of Allowance for Credit Loss for Fixed Maturity Securities AFS By Sector***

The rollforward of ACL for fixed maturity securities AFS by sector is as follows:

	U.S. Corporate	Foreign Corporate	Foreign Government	RMBS	ABS & CLO	CMBS	Total
<b>Year Ended December 31, 2023</b>	<b>(In millions)</b>						
Balance at January 1,	\$ 29	\$ 5	\$ 130	\$ —	\$ —	\$ 19	\$ 183
ACL not previously recorded	36	—	—	2	7	2	47
Changes for securities with previously recorded ACL	7	—	(23)	(1)	—	8	(9)
Securities sold or exchanged	(4)	(3)	(19)	—	—	(11)	(37)
Balance at December 31,	<u>\$ 68</u>	<u>\$ 2</u>	<u>\$ 88</u>	<u>\$ 1</u>	<u>\$ 7</u>	<u>\$ 18</u>	<u>\$ 184</u>

	U.S. Corporate	Foreign Corporate	Foreign Government	RMBS	ABS & CLO	CMBS	Total
<b>Year Ended December 31, 2022</b>	<b>(In millions)</b>						
Balance at January 1,	\$ 30	\$ 28	\$ 19	\$ —	\$ —	\$ 14	\$ 91
ACL not previously recorded	13	67	207	—	—	5	292
Changes for securities with previously recorded ACL	17	2	(48)	—	—	—	(29)
Securities sold or exchanged	(9)	(93)	(37)	—	—	—	(139)
Effect of foreign currency translation	—	1	(11)	—	—	—	(10)
Write-offs	(22)	—	—	—	—	—	(22)
Balance at December 31,	<u>\$ 29</u>	<u>\$ 5</u>	<u>\$ 130</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 19</u>	<u>\$ 183</u>

***Equity Securities***

The following table presents equity securities by security type. Common stock includes common stock, exchange traded funds, certain mutual funds and certain real estate investment trusts.

Security Type	December 31,					
	2023			2022		
	Cost	Net Unrealized Gains (Losses) (1)	Estimated Fair Value	Cost	Net Unrealized Gains (Losses) (1)	Estimated Fair Value
	<b>(In millions)</b>					
Common stock	\$ 424	\$ 239	\$ 663	\$ 1,347	\$ 195	\$ 1,542
Non-redeemable preferred stock	90	4	94	148	(6)	142
Total	<u>\$ 514</u>	<u>\$ 243</u>	<u>\$ 757</u>	<u>\$ 1,495</u>	<u>\$ 189</u>	<u>\$ 1,684</u>

(1) Represents cumulative changes in estimated fair value, recognized in earnings, and not in OCI.

## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 11. Investments (continued)

*Contractholder-Directed Equity Securities and FVO Securities*

The following table presents these investments by asset type. Unit-linked investments are primarily equity securities (including mutual funds). FVO securities includes fixed maturity and equity securities to support asset and liability management strategies for certain insurance products and investments in certain separate accounts.

Asset Type	December 31,					
	2023			2022		
	Cost or Amortized Cost	Net Unrealized Gains (Losses) (1)	Estimated Fair Value	Cost or Amortized Cost	Net Unrealized Gains (Losses) (1)	Estimated Fair Value
	(In millions)					
Unit-linked investments	\$ 7,770	\$ 1,112	\$ 8,882	\$ 7,945	\$ 288	\$ 8,233
FVO securities	972	477	1,449	1,161	274	1,435
Total	<u>\$ 8,742</u>	<u>\$ 1,589</u>	<u>\$ 10,331</u>	<u>\$ 9,106</u>	<u>\$ 562</u>	<u>\$ 9,668</u>

(1) Represents cumulative changes in estimated fair value, recognized in earnings, and not in OCI.

*Mortgage Loans**Mortgage Loans by Portfolio Segment*

Mortgage loans are summarized as follows at:

Portfolio Segment	December 31,			
	2023		2022	
	Carrying Value (1)	% of Total	Carrying Value	% of Total
	(Dollars in millions)			
Commercial	\$ 60,326	65.2 %	\$ 52,502	62.7 %
Agricultural	19,805	21.4	19,306	23.0
Residential	13,096	14.2	12,482	14.9
Total amortized cost	93,227	100.8	84,290	100.6
Allowance for credit loss	(721)	(0.8)	(527)	(0.6)
Total mortgage loans	<u>\$ 92,506</u>	<u>100.0 %</u>	<u>\$ 83,763</u>	<u>100.0 %</u>

(1) Includes certain mortgage loans originated for third parties of \$8.5 billion at amortized cost (\$8.2 billion commercial and \$246 million agricultural) and the related ACL of \$73 million, with the corresponding mortgage loan secured financing liability of \$8.5 billion included in other liabilities on the consolidated balance sheet. The investment income on these mortgage loans originated for third parties and the interest expense on the mortgage loan secured financing liability was \$408 million for the year ended December 31, 2023, and recorded in investment income and investment expenses, within net investment income. See Note 1.

The amount of net (discounts) premiums and deferred (fees) expenses, included within total amortized cost, primarily attributable to residential mortgage loans was (\$736) million and (\$744) million at December 31, 2023 and 2022, respectively. The accrued interest income excluded from total amortized cost for commercial, agricultural and residential mortgage loans at December 31, 2023 was \$277 million, \$204 million, and \$95 million, respectively. The accrued interest income excluded from total amortized cost for commercial, agricultural and residential mortgage loans at December 31, 2022 was \$219 million, \$176 million and \$81 million, respectively.

Purchases of mortgage loans, consisting primarily of residential mortgage loans, were \$1.5 billion, \$3.1 billion and \$1.8 billion for the years ended December 31, 2023, 2022 and 2021, respectively.

During the year ended December 31, 2023, the Company disposed of commercial mortgage loans with an amortized cost of \$254 million in connection with a reinsurance transaction. The disposition resulted in a loss of \$58 million for the year ended December 31, 2023.

## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 11. Investments (continued)

During the years ended December 31, 2023 and 2022, the Company contributed commercial mortgage loans with an amortized cost of \$15 million and \$489 million, respectively, to joint ventures in anticipation of subsequent foreclosure or deed-in-lieu of foreclosure transactions. During the years ended December 31, 2023 and 2022, the joint ventures completed foreclosure or deed-in-lieu of foreclosure transactions on loans with an amortized cost of \$37 million and \$467 million, respectively. During the year ended December 31, 2023, no gains or losses were recognized on foreclosures or deed-in-lieu of foreclosures within joint ventures as the estimated fair value of the real estate collateralizing the foreclosures or deed-in-lieu of foreclosures approximated amortized cost. The real estate collateralizing the 2022 foreclosures or deed-in-lieu of foreclosures had an estimated fair value in excess of amortized cost. Therefore, during the year ended December 31, 2022, the Company recognized its pro rata share of \$34 million within net investment gains (losses) upon consummation of the foreclosures or deed-in-lieu of foreclosures. See “— Real Estate and Real Estate Joint Ventures” for the carrying value of wholly-owned real estate acquired through foreclosure.

***Rollforward of Allowance for Credit Loss for Mortgage Loans by Portfolio Segment***

The rollforward of ACL for mortgage loans, by portfolio segment, is as follows:

	Years Ended December 31,											
	2023				2022				2021			
	Commercial	Agricultural	Residential	Total	Commercial	Agricultural	Residential	Total	Commercial	Agricultural	Residential	Total
	(In millions)											
Balance at January 1,	\$ 218	\$ 119	\$ 190	\$ 527	\$ 340	\$ 88	\$ 206	\$ 634	\$ 252	\$ 106	\$ 232	\$ 590
Provision (release)	168	89	(8)	249	(2)	53	(8)	43	88	6	(27)	67
Initial credit losses on PCD loans (1)	—	—	—	—	—	—	—	—	—	—	3	3
Charge-offs, net of recoveries	(19)	(36)	—	(55)	(120)	(22)	(8)	(150)	—	(24)	(2)	(26)
Balance at December 31,	<u>\$ 367</u>	<u>\$ 172</u>	<u>\$ 182</u>	<u>\$ 721</u>	<u>\$ 218</u>	<u>\$ 119</u>	<u>\$ 190</u>	<u>\$ 527</u>	<u>\$ 340</u>	<u>\$ 88</u>	<u>\$ 206</u>	<u>\$ 634</u>

- (1) Represents the initial credit losses on purchased mortgage loans accounted for as PCD.

***Allowance for Credit Loss Methodology***

The Company records an allowance for expected lifetime credit loss in earnings within net investment gains (losses) in an amount that represents the portion of the amortized cost basis of mortgage loans that the Company does not expect to collect, resulting in mortgage loans being presented at the net amount expected to be collected. In determining the Company's ACL, management applies significant judgment to estimate expected lifetime credit loss, including: (i) pooling mortgage loans that share similar risk characteristics, (ii) considering expected lifetime credit loss over the contractual term of its mortgage loans adjusted for expected prepayments and any extensions, and (iii) considering past events and current and forecasted economic conditions. Each of the Company's commercial, agricultural and residential mortgage loan portfolio segments are evaluated separately. The ACL is calculated for each mortgage loan portfolio segment based on inputs unique to each loan portfolio segment. On a quarterly basis, mortgage loans within a portfolio segment that share similar risk characteristics, such as internal risk ratings or consumer credit scores, are pooled for calculation of ACL. On an ongoing basis, mortgage loans with dissimilar risk characteristics (i.e., loans with significant declines in credit quality), such as collateral dependent mortgage loans (i.e., when the borrower is experiencing financial difficulty, including when foreclosure is reasonably possible or probable), are evaluated individually for credit loss. The ACL for loans evaluated individually are established using the same methodologies for all three portfolio segments. For example, the ACL for a collateral dependent loan is established as the excess of amortized cost over the estimated fair value of the loan's underlying collateral, less selling cost when foreclosure is probable. Accordingly, the change in the estimated fair value of collateral dependent loans, which are evaluated individually for credit loss, is recorded as a change in the ACL which is recorded on a quarterly basis as a charge or credit to earnings in net investment gains (losses).

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****11. Investments (continued)***Commercial and Agricultural Mortgage Loan Portfolio Segments*

Within each loan portfolio segment, commercial and agricultural loans are pooled by internal risk rating. Estimated lifetime loss rates, which vary by internal risk rating, are applied to the amortized cost of each loan, excluding accrued investment income, on a quarterly basis to develop the ACL. Internal risk ratings are based on an assessment of the loan's credit quality, which can change over time. The estimated lifetime loss rates are based on several loan portfolio segment-specific factors, including (i) the Company's experience with defaults and loss severity, (ii) expected default and loss severity over the forecast period, (iii) current and forecasted economic conditions including growth, inflation, interest rates and unemployment levels, (iv) loan specific characteristics including loan-to-value ("LTV") ratios, and (v) internal risk ratings. These evaluations are revised as conditions change and new information becomes available. The Company uses its several decades of historical default and loss severity experience which capture multiple economic cycles. The Company uses a forecast of economic assumptions for a two-year period for most of its commercial and agricultural mortgage loans, while a one-year period is used for loans originated in certain markets. After the applicable forecast period, the Company reverts to its historical loss experience using a straight-line basis over two years. For evaluations of commercial mortgage loans, in addition to historical experience, management considers factors that include the impact of a rapid change to the economy, which may not be reflected in the loan portfolio, recent loss and recovery trend experience as compared to historical loss and recovery experience, and loan specific characteristics including debt service coverage ratios ("DSCR"). In estimating expected lifetime credit loss over the term of its commercial mortgage loans, the Company adjusts for expected prepayment and extension experience during the forecast period using historical prepayment and extension experience considering the expected position in the economic cycle and the loan profile (i.e., floating rate, shorter-term fixed rate and longer-term fixed rate) and after the forecast period using long-term historical prepayment experience. For evaluations of agricultural mortgage loans, in addition to historical experience, management considers factors that include increased stress in certain sectors, which may be evidenced by higher delinquency rates, or a change in the number of higher risk loans. In estimating expected lifetime credit loss over the term of its agricultural mortgage loans, the Company's experience is much less sensitive to the position in the economic cycle and by loan profile; accordingly, historical prepayment experience is used, while extension terms are not prevalent with the Company's agricultural mortgage loans.

Commercial mortgage loans are reviewed on an ongoing basis, which review includes, but is not limited to, an analysis of the property financial statements and rent roll, lease rollover analysis, property inspections, market analysis, estimated valuations of the underlying collateral, LTV ratios, DSCR and tenant creditworthiness. The monitoring process focuses on higher risk loans, which include those that are classified as restructured, delinquent or in foreclosure, as well as loans with higher LTV ratios and lower DSCR. Agricultural mortgage loans are reviewed on an ongoing basis, which review includes, but is not limited to, property inspections, market analysis, estimated valuations of the underlying collateral, LTV ratios and borrower creditworthiness, as well as reviews on a geographic and property-type basis. The monitoring process for agricultural mortgage loans also focuses on higher risk loans.

For commercial mortgage loans, the primary credit quality indicator is the DSCR, which compares a property's net operating income to amounts needed to service the principal and interest due under the loan. Generally, the lower the DSCR, the higher the risk of experiencing a credit loss. The Company also reviews the LTV ratio of its commercial mortgage loan portfolio. LTV ratios compare the unpaid principal balance of the loan to the estimated fair value of the underlying collateral. Generally, the higher the LTV ratio, the higher the risk of experiencing a credit loss. The DSCR and the values utilized in calculating the ratio are updated routinely. In addition, the LTV ratio is routinely updated for all but the lowest risk loans as part of the Company's ongoing review of its commercial mortgage loan portfolio.

For agricultural mortgage loans, the Company's primary credit quality indicator is the LTV ratio. The values utilized in calculating this ratio are developed in connection with the ongoing review of the agricultural mortgage loan portfolio and are routinely updated.

After commercial and agricultural mortgage loans are approved, the Company makes commitments to lend and, typically, borrowers draw down on some or all of the commitments. The timing of mortgage loan funding is based on the commitment expiration dates. A liability for credit loss for unfunded commercial and agricultural mortgage loan commitments that is not unconditionally cancellable is recognized in earnings and is reported within net investment gains (losses). The liability is based on estimated lifetime loss rates as described above and the amount of the outstanding commitments, which for lines of credit, considers estimated utilization rates. When the commitment is funded or expires, the liability is adjusted accordingly.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**11. Investments (continued)**

*Residential Mortgage Loan Portfolio Segment*

The Company’s residential mortgage loan portfolio is comprised primarily of purchased closed end, amortizing residential mortgage loans, including both performing loans purchased within 12 months of origination and reperforming loans purchased after they have been performing for at least 12 months post-modification. Residential mortgage loans are pooled by loan type (i.e., new origination and reperforming) and pooled by similar risk profiles (including consumer credit score and LTV ratios). Estimated lifetime loss rates, which vary by loan type and risk profile, are applied to the amortized cost of each loan excluding accrued investment income on a quarterly basis to develop the ACL. The estimated lifetime loss rates are based on several factors, including (i) industry historical experience and expected results over the forecast period for defaults, (ii) loss severity, (iii) prepayment rates, (iv) current and forecasted economic conditions including growth, inflation, interest rates and unemployment levels, and (v) loan pool specific characteristics including consumer credit scores, LTV ratios, payment history and home prices. These evaluations are revised as conditions change and new information becomes available. The Company uses industry historical experience which captures multiple economic cycles as the Company has purchased most of its residential mortgage loans in the last five years. The Company uses a forecast of economic assumptions for a two-year period for most of its residential mortgage loans. After the applicable forecast period, the Company reverts to industry historical loss experience using a straight-line basis over one year.

For residential mortgage loans, the Company’s primary credit quality indicator is whether the loan is performing or nonperforming. The Company generally defines nonperforming residential mortgage loans as those that are 60 or more days past due and/or in nonaccrual status which is assessed monthly. Generally, nonperforming residential mortgage loans have a higher risk of experiencing a credit loss.

***Modifications to Borrowers Experiencing Financial Difficulty***

The Company may modify mortgage loans to borrowers. Each mortgage loan modification is evaluated to determine whether the borrower was experiencing financial difficulties. Disclosed below are those modifications, in materially impacted segments, where the borrower was determined to be experiencing financial difficulties and the mortgage loans were modified by any of the following means, principal forgiveness, interest rate reduction, other-than-insignificant payment delay or term extension. The amount, timing and extent of modifications granted are considered in determining any ACL recorded. Mortgage loans are summarized as follows at:

	December 31, 2023		
	Maturity Extension	Weighted Average Life Increase	% of Total BV
	Amortized Cost	Affected Loans (in Years)	
(Dollars in millions)			
Commercial	\$ 522	Less than one year	1.0 %

For the year ended December 31, 2023, the Company did not have a significant amount of mortgage loans that were modified to borrowers experiencing financial difficulty that are not considered current.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

11. Investments (continued)

***Credit Quality of Mortgage Loans by Portfolio Segment***

The amortized cost of commercial mortgage loans by credit quality indicator and vintage year was as follows at December 31, 2023:

Credit Quality Indicator	2023	2022	2021	2020	2019	Prior	Revolving Loans	Total	% of Total
(Dollars in millions)									
<b>LTV ratios:</b>									
Less than 65%	\$ 2,592	\$ 2,724	\$ 3,392	\$ 1,787	\$ 4,220	\$ 13,082	\$ 2,698	\$ 30,495	50.6 %
65% to 75%	372	4,465	2,737	1,651	1,636	6,114	—	16,975	28.1
76% to 80%	58	846	335	377	1,367	1,692	—	4,675	7.7
Greater than 80%	46	794	977	899	1,392	4,073	—	8,181	13.6
Total	<u>\$ 3,068</u>	<u>\$ 8,829</u>	<u>\$ 7,441</u>	<u>\$ 4,714</u>	<u>\$ 8,615</u>	<u>\$ 24,961</u>	<u>\$ 2,698</u>	<u>\$ 60,326</u>	<u>100.0 %</u>
<b>DSCR:</b>									
> 1.20x	\$ 2,088	\$ 7,387	\$ 6,880	\$ 4,372	\$ 7,243	\$ 21,644	\$ 2,698	\$ 52,312	86.7 %
1.00x - 1.20x	666	590	543	—	849	1,986	—	4,634	7.7
<1.00x	314	852	18	342	523	1,331	—	3,380	5.6
Total	<u>\$ 3,068</u>	<u>\$ 8,829</u>	<u>\$ 7,441</u>	<u>\$ 4,714</u>	<u>\$ 8,615</u>	<u>\$ 24,961</u>	<u>\$ 2,698</u>	<u>\$ 60,326</u>	<u>100.0 %</u>

The amortized cost of agricultural mortgage loans by credit quality indicator and vintage year was as follows at December 31, 2023:

Credit Quality Indicator	2023	2022	2021	2020	2019	Prior	Revolving Loans	Total	% of Total
(Dollars in millions)									
<b>LTV ratios:</b>									
Less than 65%	\$ 1,123	\$ 2,796	\$ 2,650	\$ 2,725	\$ 1,728	\$ 5,953	\$ 1,394	\$ 18,369	92.8 %
65% to 75%	30	96	301	160	24	542	121	1,274	6.4
76% to 80%	—	—	—	—	—	—	—	—	—
Greater than 80%	4	—	—	5	133	14	6	162	0.8
Total	<u>\$ 1,157</u>	<u>\$ 2,892</u>	<u>\$ 2,951</u>	<u>\$ 2,890</u>	<u>\$ 1,885</u>	<u>\$ 6,509</u>	<u>\$ 1,521</u>	<u>\$ 19,805</u>	<u>100.0 %</u>

The amortized cost of residential mortgage loans by credit quality indicator and vintage year was as follows at December 31, 2023:

Credit Quality Indicator	2023	2022	2021	2020	2019	Prior	Revolving Loans	Total	% of Total
(Dollars in millions)									
<b>Performance indicators:</b>									
Performing	\$ 767	\$ 2,508	\$ 1,501	\$ 336	\$ 927	\$ 6,639	\$ —	\$ 12,678	96.8 %
Nonperforming (1)	5	46	22	16	44	285	—	418	3.2
Total	<u>\$ 772</u>	<u>\$ 2,554</u>	<u>\$ 1,523</u>	<u>\$ 352</u>	<u>\$ 971</u>	<u>\$ 6,924</u>	<u>\$ —</u>	<u>\$ 13,096</u>	<u>100.0 %</u>

- (1) Includes residential mortgage loans in process of foreclosure of \$140 million and \$146 million at December 31, 2023 and 2022, respectively.

LTV ratios compare the unpaid principal balance of the loan to the estimated fair value of the underlying collateral. The amortized cost of commercial and agricultural mortgage loans with an LTV ratio in excess of 100% was \$1.6 billion, or 2% of total commercial and agricultural mortgage loans, at December 31, 2023.



**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**11. Investments (continued)**

***Past Due and Nonaccrual Mortgage Loans***

The Company has a high quality, well performing mortgage loan portfolio, with 99% of all mortgage loans classified as performing at both December 31, 2023 and 2022. The Company defines delinquency consistent with industry practice, when mortgage loans are past due more than two or more months, as applicable, by portfolio segment. The past due and nonaccrual mortgage loans at amortized cost, prior to ACL by portfolio segment, were as follows:

Portfolio Segment	Past Due		Past Due and Still Accruing Interest		Nonaccrual	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
	(In millions)					
Commercial	\$ 75	\$ 6	\$ 3	\$ 6	\$ 427	\$ 169
Agricultural	40	124	—	21	206	131
Residential	418	473	16	12	402	462
Total	<u>\$ 533</u>	<u>\$ 603</u>	<u>\$ 19</u>	<u>\$ 39</u>	<u>\$ 1,035</u>	<u>\$ 762</u>

***Real Estate and Real Estate Joint Ventures***

The Company's real estate investment portfolio is diversified by property type, geography and income stream, including income from operating leases, operating income and equity in earnings from equity method real estate joint ventures. Real estate investments, by income type, as well as income earned, were as follows at and for the periods indicated:

Income Type	December 31,		Years Ended December 31,		
	2023	2022	2023	2022	2021
	Carrying Value		Income		
	(In millions)				
Wholly-owned real estate:					
Leased real estate	\$ 4,446	\$ 4,523	\$ 366	\$ 392	\$ 429
Other real estate	507	487	297	252	199
Real estate joint ventures	8,379	8,127	(225)	556	326
Total real estate and real estate joint ventures	<u>\$ 13,332</u>	<u>\$ 13,137</u>	<u>\$ 438</u>	<u>\$ 1,200</u>	<u>\$ 954</u>

The carrying value of wholly-owned real estate acquired through foreclosure was \$190 million and \$182 million at December 31, 2023 and 2022, respectively. Depreciation expense on real estate investments was \$112 million, \$118 million and \$123 million for the years ended December 31, 2023, 2022 and 2021, respectively. Real estate investments were net of accumulated depreciation of \$952 million and \$863 million at December 31, 2023 and 2022, respectively.

***Leases***

***Leased Real Estate Investments - Operating Leases***

The Company, as lessor, leases investment real estate, principally commercial real estate for office and retail use, through a variety of operating lease arrangements, which typically include tenant reimbursement for property operating costs and options to renew or extend the lease. In some circumstances, leases may include an option for the lessee to purchase the property. In addition, certain leases of retail space may stipulate that a portion of the income earned is contingent upon the level of the tenants' revenues. The Company has elected a practical expedient of not separating non-lease components related to reimbursement of property operating costs from associated lease components. These property operating costs have the same timing and pattern of transfer as the related lease component, because they are incurred over the same period of time as the operating lease. Therefore, the combined component is accounted for as a single operating lease. Risk is managed through lessee credit analysis, property type diversification, and geographic diversification. Leased real estate investments and income earned, by property type, were as follows at and for the periods indicated:

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

11. Investments (continued)

Property Type	December 31,		Years Ended December 31,		
	2023	2022	2023	2022	2021
	Carrying Value		Income		
	(In millions)				
<b>Leased real estate investments:</b>					
Office	\$ 2,221	\$ 2,206	\$ 228	\$ 183	\$ 196
Retail	753	804	47	60	75
Apartment	641	625	47	56	66
Land	564	562	24	26	28
Industrial	200	254	15	62	58
Hotel	67	72	5	5	6
Total leased real estate investments	\$ 4,446	\$ 4,523	\$ 366	\$ 392	\$ 429

Future contractual receipts under operating leases at December 31, 2023 were \$244 million in 2024, \$200 million in 2025, \$164 million in 2026, \$144 million in 2027, \$125 million in 2028, \$957 million thereafter and, in total, were \$1.8 billion.

**Other Invested Assets**

Other invested assets is comprised primarily of freestanding derivatives with positive estimated fair values (see Note 12), direct financing and leveraged leases (see Note 1), annuities funding structured settlement claims (see Note 1), operating joint ventures (see Note 1), COLI (see Note 1), tax credit and renewable energy partnerships (see Note 1) and FHLBNY common stock (see “— Invested Assets on Deposit, Held in Trust and Pledged as Collateral”).

**Tax Credit Partnerships**

The carrying value of tax credit partnerships was \$518 million and \$759 million at December 31, 2023 and 2022, respectively. Losses from tax credit partnerships included within net investment income were \$145 million, \$174 million and \$195 million for the years ended December 31, 2023, 2022 and 2021, respectively.

**Cash Equivalents**

Cash equivalents, which includes securities and other investments with an original or remaining maturity of three months or less at the time of purchase, was \$10.8 billion and \$10.0 billion, principally at estimated fair value, at December 31, 2023 and 2022, respectively.

**Concentrations of Credit Risk**

Investments in any counterparty that were greater than 10% of the Company’s equity, other than the U.S. government and its agencies, at estimated fair value, were in fixed income securities of the following foreign governments and their agencies:

	December 31,	
	2023	2022
	(In millions)	
Japan	\$ 22,606	\$ 24,295
South Korea	\$ 6,411	\$ 5,887
Mexico	\$ 3,778	\$ 3,463

## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 11. Investments (continued)

*Securities Lending Transactions and Repurchase Agreements**Securities, Collateral and Reinvestment Portfolio*

A summary of these transactions and agreements accounted for as secured borrowings were as follows:

Agreement Type	December 31,					
	2023			2022		
	Securities (1)		Reinvestment Portfolio at Estimated Fair Value	Securities (1)		Reinvestment Portfolio at Estimated Fair Value
Estimated Fair Value	Cash Collateral Received from Counterparties (2)	Estimated Fair Value		Cash Collateral Received from Counterparties (2)		
	(In millions)					
Securities lending	\$ 10,510	\$ 10,788	\$ 10,553	\$ 11,756	\$ 12,092	\$ 11,833
Repurchase agreements	\$ 3,029	\$ 2,975	\$ 2,913	\$ 3,176	\$ 3,125	\$ 3,057

- These securities were included within fixed maturity securities AFS, short-term investments and cash equivalents at December 31, 2023 and within fixed maturity securities AFS and short-term investments at December 31, 2022.
- The liability for cash collateral is included within payables for collateral under securities loaned and other transactions.

*Contractual Maturities*

Contractual maturities of these transactions and agreements accounted for as secured borrowings were as follows:

Security Type	December 31,									
	2023					2022				
	Remaining Maturities					Remaining Maturities				
Open (1)	1 Month or Less	Over 1 Month to 6 Months	Over 6 Months to 1 Year	Total	Open (1)	1 Month or Less	Over 1 Month to 6 Months	Over 6 Months to 1 Year	Total	
(In millions)										
<b>Cash collateral liability by security type:</b>										
<b>Securities lending:</b>										
U.S. government and agency	\$ 1,393	\$ 4,106	\$ 3,919	\$ —	\$ 9,418	\$ 1,945	\$ 5,448	\$ 3,101	\$ —	\$ 10,494
Foreign government	—	483	624	—	1,107	—	422	922	—	1,344
Agency RMBS	—	88	175	—	263	—	63	191	—	254
Total	<u>\$ 1,393</u>	<u>\$ 4,677</u>	<u>\$ 4,718</u>	<u>\$ —</u>	<u>\$ 10,788</u>	<u>\$ 1,945</u>	<u>\$ 5,933</u>	<u>\$ 4,214</u>	<u>\$ —</u>	<u>\$ 12,092</u>
<b>Repurchase agreements:</b>										
U.S. government and agency	\$ —	\$ 2,975	\$ —	\$ —	\$ 2,975	\$ —	\$ 3,125	\$ —	\$ —	\$ 3,125

- The related security could be returned to the Company on the next business day, which would require the Company to immediately return the cash collateral.

If the Company is required to return significant amounts of cash collateral on short notice and is forced to sell investments to meet the return obligation, it may have difficulty selling such collateral that is invested in a timely manner, be forced to sell investments in a volatile or illiquid market for less than what otherwise would have been realized under normal market conditions, or both.

The securities lending and repurchase agreements reinvestment portfolios consist principally of high quality, liquid, publicly-traded fixed maturity securities AFS, short-term investments, cash equivalents or cash. If the securities in the reinvestment portfolio become less liquid, liquidity resources within the general account are available to meet any potential cash demands when securities are put back by the counterparty.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**11. Investments (continued)**

***Invested Assets on Deposit, Held in Trust and Pledged as Collateral***

Invested assets on deposit, held in trust and pledged as collateral are presented below at estimated fair value for all asset classes, except mortgage loans, which are presented at carrying value and were as follows at:

	December 31,	
	2023	2022
	(In millions)	
Invested assets on deposit (regulatory deposits)	\$ 1,596	\$ 1,514
Invested assets held in trust (external reinsurance agreements) (1)	941	881
Invested assets pledged as collateral (2)	26,017	25,442
Total invested assets on deposit, held in trust and pledged as collateral	<u>\$ 28,554</u>	<u>\$ 27,837</u>

- (1) Represents assets held in trust related to third-party reinsurance agreements. Excludes assets held in trust related to reinsurance agreements between wholly-owned subsidiaries of \$2.0 billion and \$1.9 billion at December 31, 2023 and 2022, respectively.
- (2) The Company has pledged invested assets in connection with various agreements and transactions, including funding agreements (see Note 5), derivative transactions (see Note 12), secured debt and short-term debt related to repurchase agreements (see Note 16), and a collateral financing arrangement (see Note 17).

See “— Securities Lending Transactions and Repurchase Agreements” for information regarding securities supporting securities lending transactions and repurchase agreements and Note 10 for information regarding investments designated to the closed block. In addition, the Company’s investment in FHLB NY common stock, included within other invested assets, which is considered restricted until redeemed by the issuer, was \$714 million and \$729 million, at redemption value, at December 31, 2023 and 2022, respectively.

***Collectively Significant Equity Method Investments***

The Company held equity method investments of \$25.2 billion at December 31, 2023, comprised primarily of other limited partnership interests (private equity funds and hedge funds), real estate joint ventures (including real estate funds), tax credit and renewable energy partnerships and operating joint ventures. The Company’s maximum exposure to loss related to these equity method investments was limited to the carrying value of these investments plus \$6.7 billion of unfunded commitments at December 31, 2023.

As described in Note 1, the Company generally recognizes its share of earnings in its equity method investments within net investment income using a three-month lag in instances where the investee’s financial information is not sufficiently timely or when the investee’s reporting period differs from the Company’s reporting period. Aggregate net investment income from these equity method investments exceeded 10% of the Company’s consolidated pre-tax income (loss) for two of the three most recent annual periods: 2022 and 2021.

The following aggregated summarized financial data reflects the latest available financial information and does not represent the Company’s proportionate share of the assets, liabilities, or earnings of such entities. Aggregate total assets of these entities totaled \$1.2 trillion at both December 31, 2023 and 2022. Aggregate total liabilities of these entities totaled \$148.0 billion and \$148.9 billion at December 31, 2023 and 2022, respectively. Aggregate net income (loss) of these entities totaled \$32.8 billion, (\$11.8) billion and \$231.0 billion for the years ended December 31, 2023, 2022 and 2021, respectively. Aggregate net income (loss) from the underlying entities in which the Company invests is primarily comprised of investment income, including recurring investment income (loss) and realized and unrealized investment gains (losses).

***Variable Interest Entities***

The Company has invested in legal entities that are VIEs. In certain instances, the Company holds both the power to direct the most significant activities of the entity, as well as an economic interest in the entity and, as such, is deemed to be the primary beneficiary or consolidator of the entity. The determination of the VIE’s primary beneficiary requires an evaluation of the contractual and implied rights and obligations associated with each party’s relationship with or involvement in the entity.

## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 11. Investments (continued)

Consolidated VIEs

Creditors or beneficial interest holders of VIEs where the Company is the primary beneficiary have no recourse to the general credit of the Company, as the Company's obligation to the VIEs is limited to the amount of its committed investment.

The following table presents the total assets and total liabilities relating to investment related VIEs for which the Company has concluded that it is the primary beneficiary and which are consolidated at:

Asset Type	December 31,			
	2023		2022	
	Total Assets	Total Liabilities	Total Assets	Total Liabilities
	(In millions)			
Investment funds (primarily other invested assets)	\$ 282	\$ 1	\$ 266	\$ 1
Renewable energy partnership (primarily other invested assets)	64	—	76	—
Total	\$ 346	\$ 1	\$ 342	\$ 1

Unconsolidated VIEs

The carrying amount and maximum exposure to loss relating to VIEs in which the Company holds a significant variable interest but is not the primary beneficiary and which have not been consolidated were as follows at:

Asset Type	December 31,			
	2023		2022	
	Carrying Amount	Maximum Exposure to Loss (1)	Carrying Amount	Maximum Exposure to Loss (1)
	(In millions)			
Fixed maturity securities AFS (2)	\$ 54,182	\$ 54,182	\$ 51,422	\$ 51,422
Other limited partnership interests	14,034	19,591	13,244	18,906
Other invested assets	1,206	1,275	1,310	1,387
Other investments (Real estate joint ventures and FVO securities)	1,039	1,055	945	948
Total	\$ 70,461	\$ 76,103	\$ 66,921	\$ 72,663

- The maximum exposure to loss relating to fixed maturity securities AFS and FVO securities is equal to their carrying amounts or the carrying amounts of retained interests. The maximum exposure to loss relating to other limited partnership interests ("OLPI") and real estate joint ventures ("REJV") is equal to the carrying amounts plus any unfunded commitments. For certain of its investments in other invested assets, the Company's return is in the form of income tax credits which are guaranteed by creditworthy third parties. For such investments, the maximum exposure to loss is equal to the carrying amounts plus any unfunded commitments, reduced by income tax credits guaranteed by third parties. Such a maximum loss would be expected to occur only upon bankruptcy of the issuer or investee.
- For variable interests in Structured Products included within fixed maturity securities AFS, the Company's involvement is limited to that of a passive investor in mortgage-backed or asset-backed securities issued by trusts that do not have substantial equity.

In connection with the reinsurance transaction with subsidiaries of Global Atlantic Financial Group, collateral securing the reinsurance transaction was transferred to trusts that do not have substantial equity. The Company does not have a carrying amount related to the trusts but does manage a portion of the invested assets. For managing these assets, the Company will receive an investment management fee which represents a variable interest. The Company's maximum exposure to loss is limited to the investment management fee revenue that has been earned but not yet received. See Note 9 for further information on this reinsurance transaction.

**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**11. Investments (continued)**

As described in Note 24, the Company makes commitments to fund partnership investments in the normal course of business. Excluding these commitments, the Company did not provide financial or other support to investees designated as VIEs for each of the years ended December 31, 2023, 2022 and 2021.

**Net Investment Income**

The composition of net investment income by asset type was as follows:

Asset Type	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Fixed maturity securities AFS	\$ 12,990	\$ 11,490	\$ 10,996
Equity securities	32	36	36
FVO securities	188	(127)	167
Mortgage loans	4,761	3,539	3,435
Policy loans	471	460	474
Real estate and REJV	438	1,200	954
OLPI	454	858	4,927
Cash, cash equivalents and short-term investments	1,011	358	103
Operating joint ventures	38	51	77
Other	604	633	223
Subtotal investment income	20,987	18,498	21,392
Less: Investment expenses	2,262	1,284	949
Subtotal, net	18,725	17,214	20,443
Unit-linked investments	1,183	(1,298)	952
Net investment income	<u>\$ 19,908</u>	<u>\$ 15,916</u>	<u>\$ 21,395</u>
<b>Net Investment Income (“NII”) Information</b>			
Net realized and unrealized gains (losses) recognized in NII:			
Net realized gains (losses) from sales and disposals (primarily FVO securities and Unit-linked investments)	\$ 207	\$ 155	\$ 518
Net unrealized gains (losses) from changes in estimated fair value (primarily FVO securities and Unit-linked investments)	1,168	(1,586)	616
Net realized and unrealized gains (losses) recognized in NII	<u>\$ 1,375</u>	<u>\$ (1,431)</u>	<u>\$ 1,134</u>
Changes in estimated fair value subsequent to purchase of FVO securities and Unit-linked investments still held at the end of the respective periods and recognized in NII	\$ 1,119	\$ (1,286)	\$ 730
Equity method investments NII (primarily REJV, OLPI, tax credit and renewable energy partnerships and operating joint ventures)	\$ 151	\$ 1,305	\$ 5,136

## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 11. Investments (continued)

*Net Investment Gains (Losses)**Net Investment Gains (Losses) by Asset Type and Transaction Type*

The composition of net investment gains (losses) by asset type and transaction type was as follows:

Asset Type	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Fixed maturity securities AFS (1)	\$ (2,471)	\$ (1,912)	\$ 66
Equity securities	81	(133)	108
Mortgage loans (1)	(270)	21	(18)
Real estate and REJV (excluding changes in estimated fair value)	69	653	502
OLPI (excluding changes in estimated fair value)	12	53	(6)
Other gains (losses) (2)	(158)	178	131
Subtotal	(2,737)	(1,140)	783
Change in estimated fair value of OLPI and REJV	(6)	(14)	45
Non-investment portfolio gains (losses)	(81)	(106)	715
Subtotal	(87)	(120)	760
Net investment gains (losses)	\$ (2,824)	\$ (1,260)	\$ 1,543
<b>Transaction Type</b>			
Realized gains (losses) on investments sold or disposed (1)	\$ (1,028)	\$ (880)	\$ 711
Impairment (losses) (1), (2)	(1,498)	(40)	(24)
Recognized gains (losses):			
Change in allowance for credit loss recognized in earnings	(271)	(134)	(86)
Unrealized net gains (losses) recognized in earnings	54	(100)	227
Total recognized gains (losses)	(217)	(234)	141
Non-investment portfolio gains (losses)	(81)	(106)	715
Net investment gains (losses)	\$ (2,824)	\$ (1,260)	\$ 1,543
<b>Net Investment Gains (Losses) (“NIGL”) Information</b>			
Changes in estimated fair value subsequent to purchase of equity securities still held at the end of the respective periods and recognized in NIGL	\$ 22	\$ (89)	\$ 77
Other gains (losses) include:			
Gains (losses) on disposed investments which were previously in a qualified cash flow hedge relationship	\$ (7)	\$ 38	\$ 88
Gains (losses) on leveraged leases and renewable energy partnerships	\$ 24	\$ 33	\$ 12
Foreign currency gains (losses)	\$ 52	\$ 183	\$ (9)
<b>Net Realized Investment Gains (Losses) From Sales and Disposals of Investments</b>			
Recognized in NIGL	\$ (1,028)	\$ (880)	\$ 711
Recognized in NII	207	155	518
Net realized investment gains (losses) from sales and disposals of investments	\$ (821)	\$ (725)	\$ 1,229

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**11. Investments (continued)**

- (1) Includes a net loss of \$1.2 billion during the year ended December 31, 2023 for investments disposed of in connection with a reinsurance transaction. The net loss was comprised of (\$1.3) billion of impairments and \$95 million of realized gains on disposal for fixed maturity securities AFS, (\$56) million of adjustments to mortgage loans, reflected as impairments, (calculated at lower of amortized cost or estimated fair value), and (\$2) million of realized losses on disposal for mortgage loans. See Note 9 for further information on this reinsurance transaction.
- (2) See Note 3 for information regarding the Company’s pending disposition of MetLife Malaysia.

**Fixed Maturity Securities AFS and Equity Securities – Composition of Net Investment Gains (Losses)**

The composition of net investment gains (losses) for these securities is as follows:

Fixed Maturity Securities AFS	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Proceeds	\$ 40,625	\$ 67,754	\$ 54,612
Gross investment gains	\$ 563	\$ 935	\$ 761
Gross investment (losses)	(1,732)	(2,704)	(656)
Realized gains (losses) on sales and disposals	(1,169)	(1,769)	105
Net credit loss (provision) release (change in ACL recognized in earnings)	(2)	(103)	(15)
Impairment (losses)	(1,300)	(40)	(24)
Net credit loss (provision) release and impairment (losses)	(1,302)	(143)	(39)
Net investment gains (losses)	<u>\$ (2,471)</u>	<u>\$ (1,912)</u>	<u>\$ 66</u>
<b>Equity Securities</b>			
Realized gains (losses) on sales and disposals	\$ 21	\$ (47)	\$ (69)
Unrealized net gains (losses) recognized in earnings	60	(86)	177
Net investment gains (losses)	<u>\$ 81</u>	<u>\$ (133)</u>	<u>\$ 108</u>

**12. Derivatives**

***Accounting for Derivatives***

See Note 1 for a description of the Company’s accounting policies for derivatives and Note 13 for information about the fair value hierarchy for derivatives.

***Derivative Strategies***

The Company is exposed to various risks relating to its ongoing business operations, including interest rate, foreign currency exchange rate, credit and equity market. The Company uses a variety of strategies to manage these risks, including the use of derivatives.

Derivatives are financial instruments with values derived from interest rates, foreign currency exchange rates, credit spreads and/or other financial indices. Derivatives may be exchange-traded or contracted in the over-the-counter (“OTC”) market. Certain of the Company’s OTC derivatives are cleared and settled through central clearing counterparties (“OTC-cleared”), while others are bilateral contracts between two counterparties (“OTC-bilateral”). The types of derivatives the Company uses include swaps, forwards, futures and option contracts. To a lesser extent, the Company uses credit default swaps and structured interest rate swaps to synthetically replicate investment risks and returns which are not readily available in the cash markets.

**Interest Rate Derivatives**

The Company uses a variety of interest rate derivatives to reduce its exposure to changes in interest rates, including interest rate swaps, interest rate total return swaps, caps, floors, swaptions, futures and forwards.



**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****12. Derivatives (continued)**

Interest rate swaps are used by the Company primarily to reduce market risks from changes in interest rates and to alter interest rate exposure arising from mismatches between assets and liabilities (duration mismatches). In an interest rate swap, the Company agrees with another party to exchange, at specified intervals, the difference between fixed rate and floating rate interest amounts as calculated by reference to an agreed notional amount. The Company utilizes interest rate swaps in fair value, cash flow and nonqualifying hedging relationships.

The Company uses structured interest rate swaps to synthetically create investments that are either more expensive to acquire or otherwise unavailable in the cash markets. These transactions are a combination of a derivative and a cash instrument such as a U.S. government and agency, or other fixed maturity securities AFS. Structured interest rate swaps are included in interest rate swaps and are not designated as hedging instruments.

Interest rate total return swaps are swaps whereby the Company agrees with another party to exchange, at specified intervals, the difference between the economic risk and reward of an asset or a market index and a benchmark interest rate, calculated by reference to an agreed notional amount. No cash is exchanged at the outset of the contract. Cash is paid and received over the life of the contract based on the terms of the swap. These transactions are entered into pursuant to master agreements that provide for a single net payment to be made by the counterparty at each due date. Interest rate total return swaps are used by the Company to reduce market risks from changes in interest rates and to alter interest rate exposure arising from mismatches between assets and liabilities (duration mismatches). The Company utilizes interest rate total return swaps in nonqualifying hedging relationships.

The Company purchases interest rate caps primarily to protect its floating rate liabilities against rises in interest rates above a specified level, and against interest rate exposure arising from mismatches between assets and liabilities, and interest rate floors primarily to protect its minimum rate guarantee liabilities against declines in interest rates below a specified level. In certain instances, the Company locks in the economic impact of existing purchased caps and floors by entering into offsetting written caps and floors. The Company utilizes interest rate caps and floors in nonqualifying hedging relationships.

In exchange-traded interest rate (Treasury and swap) futures transactions, the Company agrees to purchase or sell a specified number of contracts, the value of which is determined by the different classes of interest rate securities, to post variation margin on a daily basis in an amount equal to the difference in the daily market values of those contracts and to pledge initial margin based on futures exchange requirements. The Company enters into exchange-traded futures with regulated futures commission merchants that are members of the exchange. Exchange-traded interest rate (Treasury and swap) futures are used primarily to hedge mismatches between the duration of assets in a portfolio and the duration of liabilities supported by those assets, to hedge against changes in value of securities the Company owns or anticipates acquiring, to hedge against changes in interest rates on anticipated liability issuances by replicating Treasury or swap curve performance, and to hedge minimum guarantees embedded in certain variable annuity products issued by the Company. The Company utilizes exchange-traded interest rate futures in nonqualifying hedging relationships.

Swaptions are used by the Company to hedge interest rate risk associated with the Company's long-term liabilities and invested assets. A swaption is an option to enter into a swap with a forward starting effective date. In certain instances, the Company locks in the economic impact of existing purchased swaptions by entering into offsetting written swaptions. The Company pays a premium for purchased swaptions and receives a premium for written swaptions. The Company utilizes swaptions in nonqualifying hedging relationships. Swaptions are included in interest rate options.

The Company enters into interest rate forwards to buy and sell securities. The price is agreed upon at the time of the contract and payment for such a contract is made at a specified future date. The Company utilizes interest rate forwards in cash flow and nonqualifying hedging relationships.

Synthetic GICs are contracts that simulate the performance of traditional GICs through the use of financial instruments. The contractholder owns the underlying assets, and the Company provides a guarantee (or "wrap") on the participant funds for an annual risk charge. The Company's maximum exposure to loss on synthetic GICs is the notional amount, in the event the values of all of the underlying assets were reduced to zero. The Company's risk is substantially lower due to contractual provisions that limit the portfolio to high quality assets, which are pre-approved and monitored for compliance, as well as the collection of risk charges. In addition, the crediting rates reset periodically to amortize market value gains and losses over a period equal to the duration of the wrapped portfolio, subject to a 0% floor. While plan participants may transact at book value, contractholder withdrawals may only occur immediately at market value, or at book value paid over a period of time per contract provisions. Synthetic GICs are not designated as hedging instruments.

**Notes to the Consolidated Financial Statements — (continued)****12. Derivatives (continued)****Foreign Currency Exchange Rate Derivatives**

The Company uses foreign currency exchange rate derivatives, including foreign currency swaps, foreign currency forwards, currency options and exchange-traded currency futures, to reduce the risk from fluctuations in foreign currency exchange rates associated with its assets and liabilities denominated in foreign currencies. The Company also uses foreign currency derivatives to hedge the foreign currency exchange rate risk associated with certain of its net investments in foreign operations.

In a foreign currency swap transaction, the Company agrees with another party to exchange, at specified intervals, the difference between one currency and another at a fixed exchange rate, generally set at inception, calculated by reference to an agreed upon notional amount. The notional amount of each currency is exchanged at the inception and termination of the currency swap by each party. The Company utilizes foreign currency swaps in fair value, cash flow and nonqualifying hedging relationships.

In a foreign currency forward transaction, the Company agrees with another party to deliver a specified amount of an identified currency at a specified future date. The price is agreed upon at the time of the contract and payment for such a contract is made at the specified future date. The Company utilizes foreign currency forwards in fair value, NIFO hedges and nonqualifying hedging relationships.

The Company enters into currency options that give it the right, but not the obligation, to sell the foreign currency amount in exchange for a functional currency amount within a limited time at a contracted price. The contracts may also be net settled in cash, based on differentials in the foreign currency exchange rate and the strike price. The Company uses currency options to hedge against the foreign currency exposure inherent in certain of its variable annuity products. The Company also uses currency options as an economic hedge of foreign currency exposure related to the Company's non-U.S. subsidiaries. The Company utilizes currency options in NIFO hedges and nonqualifying hedging relationships.

To a lesser extent, the Company uses exchange-traded currency futures to hedge currency mismatches between assets and liabilities, and to hedge minimum guarantees embedded in certain variable annuity products issued by the Company. The Company utilizes exchange-traded currency futures in nonqualifying hedging relationships.

**Credit Derivatives**

The Company enters into purchased credit default swaps to hedge against credit-related changes in the value of its investments. In a credit default swap transaction, the Company agrees with another party to pay, at specified intervals, a premium to hedge credit risk. If a credit event occurs, as defined by the contract, the contract may be cash settled or it may be settled gross by the delivery of par quantities of the referenced investment equal to the specified swap notional amount in exchange for the payment of cash amounts by the counterparty equal to the par value of the investment surrendered. Credit events vary by type of issuer but typically include bankruptcy, failure to pay debt obligations and involuntary restructuring for corporate obligors, as well as repudiation, moratorium or governmental intervention for sovereign obligors. In each case, payout on a credit default swap is triggered only after the relevant third party, Credit Derivatives Determinations Committee determines that a credit event has occurred. The Company utilizes credit default swaps in nonqualifying hedging relationships.

The Company enters into written credit default swaps to synthetically create credit investments that are either more expensive to acquire or otherwise unavailable in the cash markets. These transactions are a combination of a derivative and one or more cash instruments, such as U.S. government and agency, or other fixed maturity securities AFS. These credit default swaps are not designated as hedging instruments.

The Company enters into forwards to lock in the price to be paid for forward purchases of certain securities. The price is agreed upon at the time of the contract and payment for the contract is made at a specified future date. When the primary purpose of entering into these transactions is to hedge against the risk of changes in purchase price due to changes in credit spreads, the Company designates these transactions as credit forwards. The Company utilizes credit forwards in cash flow hedging relationships.

**Equity Derivatives**

The Company uses a variety of equity derivatives to reduce its exposure to equity market risk, including equity index options, equity variance swaps, exchange-traded equity futures and equity total return swaps.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****12. Derivatives (continued)**

Equity index options are used by the Company primarily to hedge minimum guarantees embedded in certain variable annuity products issued by the Company. To hedge against adverse changes in equity indices, the Company enters into contracts to sell the underlying equity index within a limited time at a contracted price. The contracts will be net settled in cash based on differentials in the indices at the time of exercise and the strike price. Certain of these contracts may also contain settlement provisions linked to interest rates. In certain instances, the Company may enter into a combination of transactions to hedge adverse changes in equity indices within a pre-determined range through the purchase and sale of options. The Company utilizes equity index options in nonqualifying hedging relationships.

Equity variance swaps are used by the Company primarily to hedge minimum guarantees embedded in certain variable annuity products issued by the Company. In an equity variance swap, the Company agrees with another party to exchange amounts in the future, based on changes in equity volatility over a defined period. The Company utilizes equity variance swaps in nonqualifying hedging relationships.

In exchange-traded equity futures transactions, the Company agrees to purchase or sell a specified number of contracts, the value of which is determined by the different classes of equity securities, to post variation margin on a daily basis in an amount equal to the difference in the daily market values of those contracts and to pledge initial margin based on futures exchange requirements. The Company enters into exchange-traded futures with regulated futures commission merchants that are members of the exchange. Exchange-traded equity futures are used primarily to hedge minimum guarantees embedded in certain variable annuity products issued by the Company. The Company utilizes exchange-traded equity futures in nonqualifying hedging relationships.

In an equity total return swap, the Company agrees with another party to exchange, at specified intervals, the difference between the economic risk and reward of an asset or a market index and a benchmark interest rate, calculated by reference to an agreed notional amount. No cash is exchanged at the outset of the contract. Cash is paid and received over the life of the contract based on the terms of the swap. The Company uses equity total return swaps to hedge its equity market guarantees in certain of its insurance products. Equity total return swaps can be used as hedges or to synthetically create investments. The Company utilizes equity total return swaps in nonqualifying hedging relationships.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

12. Derivatives (continued)

*Primary Risks Managed by Derivatives*

The following table presents the primary underlying risk exposure, gross notional amount and estimated fair value of the Company's derivatives, excluding embedded derivatives, held at:

Primary Underlying Risk Exposure		December 31,					
		2023			2022		
		Gross Notional Amount	Estimated Fair Value		Gross Notional Amount	Estimated Fair Value	
Assets	Liabilities		Assets	Liabilities			
(In millions)							
Derivatives Designated as Hedging Instruments:							
Fair value hedges:							
Interest rate swaps	Interest rate	\$ 4,550	\$ 1,257	\$ 535	\$ 4,143	\$ 1,353	\$ 467
Foreign currency swaps	Foreign currency exchange rate	1,475	55	—	602	82	—
Foreign currency forwards	Foreign currency exchange rate	450	—	65	1,336	10	89
Subtotal		6,475	1,312	600	6,081	1,445	556
Cash flow hedges:							
Interest rate swaps	Interest rate	4,156	1	265	4,107	8	262
Interest rate forwards	Interest rate	6,115	51	938	7,447	1	1,354
Foreign currency swaps	Foreign currency exchange rate	43,906	2,457	1,509	42,608	3,554	1,699
Subtotal		54,177	2,509	2,712	54,162	3,563	3,315
NIFO hedges:							
Foreign currency forwards	Foreign currency exchange rate	503	—	8	680	—	38
Currency options	Foreign currency exchange rate	3,000	394	—	3,000	236	—
Subtotal		3,503	394	8	3,680	236	38
Total qualifying hedges		64,155	4,215	3,320	63,923	5,244	3,909
Derivatives Not Designated or Not Qualifying as Hedging Instruments:							
Interest rate swaps	Interest rate	29,801	1,497	1,102	31,661	1,660	1,354
Interest rate floors	Interest rate	15,321	41	—	25,270	125	—
Interest rate caps	Interest rate	30,016	373	—	48,290	950	—
Interest rate futures	Interest rate	1,243	1	5	1,453	2	1
Interest rate options	Interest rate	43,926	385	103	44,391	473	88
Interest rate forwards	Interest rate	2,383	69	36	381	—	32
Synthetic GICs	Interest rate	49,066	—	—	46,316	—	—
Foreign currency swaps	Foreign currency exchange rate	11,891	1,200	356	12,815	1,454	383
Foreign currency forwards	Foreign currency exchange rate	14,128	310	806	16,195	544	661
Currency futures	Foreign currency exchange rate	314	2	—	333	8	—
Currency options	Foreign currency exchange rate	50	—	—	—	—	—
Credit default swaps — purchased	Credit	2,877	3	79	2,925	18	79
Credit default swaps — written	Credit	12,468	233	5	11,512	133	28
Equity futures	Equity market	2,163	8	11	2,988	8	4
Equity index options	Equity market	19,421	399	255	16,701	765	323
Equity variance swaps	Equity market	99	—	2	163	4	1
Equity total return swaps	Equity market	1,912	1	218	2,799	23	112
Total non-designated or nonqualifying derivatives		237,079	4,522	2,978	264,193	6,167	3,066
Total		\$ 301,234	\$ 8,737	\$ 6,298	\$ 328,116	\$ 11,411	\$ 6,975

Included in the table above, the Company uses various OTC and exchange traded derivatives to hedge variable annuity guarantees. The table below presents the gross notional amount, estimated fair value and primary underlying risk exposure of the derivatives hedging variable annuity guarantees accounted for as MRBs:

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**12. Derivatives (continued)**

Primary Underlying Risk Exposure	December 31, 2023			December 31, 2022		
	Gross Notional Amount	Estimated Fair Value		Gross Notional Amount	Estimated Fair Value	
		Assets	Liabilities		Assets	Liabilities
<b>(In millions)</b>						
Derivatives Not Designated or Not Qualifying as Hedging Instruments:						
Interest rate	\$ 9,096	\$ 13	\$ 663	\$ 9,098	\$ 41	\$ 764
Foreign currency exchange rate	716	22	2	887	26	2
Equity market	5,189	77	373	8,829	233	381
	<u>\$ 15,001</u>	<u>\$ 112</u>	<u>\$ 1,038</u>	<u>\$ 18,814</u>	<u>\$ 300</u>	<u>\$ 1,147</u>

The change in estimated fair values and earned income of derivatives hedging variable annuity guarantees, recorded in net derivative gains (losses), was (\$596) million and (\$640) million for the years ended December 31, 2023 and 2022, respectively.

Based on gross notional amounts, a substantial portion of the Company's derivatives was not designated or did not qualify as part of a hedging relationship at both December 31, 2023 and 2022. The Company's use of derivatives includes (i) derivatives that serve as macro hedges of the Company's exposure to various risks and that generally do not qualify for hedge accounting due to the criteria required under the portfolio hedging rules; (ii) derivatives that economically hedge insurance liabilities that contain mortality or morbidity risk and that generally do not qualify for hedge accounting because the lack of these risks in the derivatives cannot support an expectation of a highly effective hedging relationship; (iii) derivatives that economically hedge MRBs that do not qualify for hedge accounting because the changes in estimated fair value of the MRBs are already recorded in net income; and (iv) written credit default swaps and interest rate swaps that are used to synthetically create investments and that do not qualify for hedge accounting because they do not involve a hedging relationship. For these nonqualified derivatives, changes in market factors can lead to the recognition of fair value changes on the statement of operations without an offsetting gain or loss recognized in earnings for the item being hedged.

## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 12. Derivatives (continued)

*The Effects of Derivatives on the Consolidated Statements of Operations and Comprehensive Income (Loss)*

The following table presents the consolidated financial statement location and amount of gain (loss) recognized on fair value, cash flow, NIFO, nonqualifying hedging relationships and embedded derivatives:

	Year Ended December 31, 2023						
	Net Investment Income	Net Investment Gains (Losses)	Net Derivative Gains (Losses)	Policyholder Benefits and Claims	Interest Credited to Policyholder Account Balances	Other Expenses	OCI
	(In millions)						
Gain (Loss) on Fair Value Hedges:							
Interest rate derivatives:							
Derivatives designated as hedging instruments (1)	\$ (3)	\$ —	N/A	\$ —	\$ 29	\$ —	N/A
Hedged items	3	—	N/A	(26)	(31)	—	N/A
Foreign currency exchange rate derivatives:							
Derivatives designated as hedging instruments (1)	(39)	(41)	N/A	—	20	—	N/A
Hedged items	38	33	N/A	—	(24)	—	N/A
Amount excluded from the assessment of hedge effectiveness	—	(20)	N/A	—	—	—	N/A
Subtotal	(1)	(28)	N/A	(26)	(6)	—	N/A
Gain (Loss) on Cash Flow Hedges:							
Interest rate derivatives: (1)							
Amount of gains (losses) deferred in AOCI	N/A	N/A	N/A	N/A	N/A	N/A	\$ 109
Amount of gains (losses) reclassified from AOCI into income	50	90	—	—	—	—	(140)
Foreign currency exchange rate derivatives: (1)							
Amount of gains (losses) deferred in AOCI	N/A	N/A	N/A	N/A	N/A	N/A	(1,215)
Amount of gains (losses) reclassified from AOCI into income	4	558	—	—	—	2	(564)
Foreign currency transaction gains (losses) on hedged items	—	(547)	—	—	—	—	—
Credit derivatives: (1)							
Amount of gains (losses) deferred in AOCI	N/A	N/A	N/A	N/A	N/A	N/A	—
Amount of gains (losses) reclassified from AOCI into income	—	1	—	—	—	—	(1)
Subtotal	54	102	—	—	—	2	(1,811)
Gain (Loss) on NIFO Hedges:							
Foreign currency exchange rate derivatives (1)	N/A	5	N/A	N/A	N/A	N/A	226
Non-derivative hedging instruments	N/A	N/A	N/A	N/A	N/A	N/A	20
Subtotal	N/A	5	N/A	N/A	N/A	N/A	246
Gain (Loss) on Derivatives Not Designated or Not Qualifying as Hedging Instruments:							
Interest rate derivatives (1)	—	N/A	(979)	N/A	N/A	N/A	N/A
Foreign currency exchange rate derivatives (1)	—	N/A	(1,443)	N/A	N/A	N/A	N/A
Credit derivatives — purchased (1)	—	N/A	(17)	N/A	N/A	N/A	N/A
Credit derivatives — written (1)	—	N/A	135	N/A	N/A	N/A	N/A
Equity derivatives (1)	(52)	N/A	(1,296)	N/A	N/A	N/A	N/A
Foreign currency transaction gains (losses) on hedged items	—	N/A	366	N/A	N/A	N/A	N/A
Subtotal	(52)	N/A	(3,234)	N/A	N/A	N/A	N/A
Earned income on derivatives	178	—	1,055	4	(149)	—	—
Synthetic GICs	N/A	N/A	75	N/A	N/A	N/A	N/A
Embedded derivatives	N/A	N/A	(36)	N/A	N/A	N/A	N/A
Total	\$ 179	\$ 79	\$ (2,140)	\$ (22)	\$ (155)	\$ 2	\$ (1,565)

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**12. Derivatives (continued)**

Year Ended December 31, 2022							
Net Investment Income	Net Investment Gains (Losses)	Net Derivative Gains (Losses)	Policyholder Benefits and Claims	Interest Credited to Policyholder Account Balances	Other Expenses	OCI	
(In millions)							
Gain (Loss) on Fair Value Hedges:							
Interest rate derivatives:							
Derivatives designated as hedging instruments (1)	\$ 9	\$ —	N/A	\$ (959)	\$ (254)	\$ —	N/A
Hedged items	(9)	—	N/A	905	249	—	N/A
Foreign currency exchange rate derivatives:							
Derivatives designated as hedging instruments (1)	109	(220)	N/A	—	—	—	N/A
Hedged items	(110)	217	N/A	—	—	—	N/A
Amount excluded from the assessment of hedge effectiveness	—	46	N/A	—	—	—	N/A
Subtotal	(1)	43	N/A	(54)	(5)	—	N/A
Gain (Loss) on Cash Flow Hedges:							
Interest rate derivatives: (1)							
Amount of gains (losses) deferred in AOCI	N/A	N/A	N/A	N/A	N/A	N/A	\$ (2,367)
Amount of gains (losses) reclassified from AOCI into income	59	41	—	—	—	4	(104)
Foreign currency exchange rate derivatives: (1)							
Amount of gains (losses) deferred in AOCI	N/A	N/A	N/A	N/A	N/A	N/A	1,784
Amount of gains (losses) reclassified from AOCI into income	6	(609)	—	—	—	1	602
Foreign currency transaction gains (losses) on hedged items	—	587	—	—	—	—	—
Credit derivatives: (1)							
Amount of gains (losses) deferred in AOCI	N/A	N/A	N/A	N/A	N/A	N/A	—
Amount of gains (losses) reclassified from AOCI into income	—	—	—	—	—	—	—
Subtotal	65	19	—	—	—	5	(85)
Gain (Loss) on NIFO Hedges:							
Foreign currency exchange rate derivatives (1)	N/A	N/A	N/A	N/A	N/A	N/A	85
Non-derivative hedging instruments	N/A	N/A	N/A	N/A	N/A	N/A	47
Subtotal	N/A	N/A	N/A	N/A	N/A	N/A	132
Gain (Loss) on Derivatives Not Designated or Not Qualifying as Hedging Instruments:							
Interest rate derivatives (1)	3	N/A	(3,967)	N/A	N/A	N/A	N/A
Foreign currency exchange rate derivatives (1)	2	N/A	(372)	N/A	N/A	N/A	N/A
Credit derivatives — purchased (1)	—	N/A	75	N/A	N/A	N/A	N/A
Credit derivatives — written (1)	—	N/A	(92)	N/A	N/A	N/A	N/A
Equity derivatives (1)	45	N/A	673	N/A	N/A	N/A	N/A
Foreign currency transaction gains (losses) on hedged items	—	N/A	282	N/A	N/A	N/A	N/A
Subtotal	50	N/A	(3,401)	N/A	N/A	N/A	N/A
Earned income on derivatives	376	—	1,029	112	(120)	—	—
Synthetic GICs	N/A	N/A	—	N/A	N/A	N/A	N/A
Embedded derivatives	N/A	N/A	121	N/A	N/A	N/A	N/A
Total	\$ 490	\$ 62	\$ (2,251)	\$ 58	\$ (125)	\$ 5	\$ 47

## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 12. Derivatives (continued)

Year Ended December 31, 2021							
Net Investment Income	Net Investment Gains (Losses)	Net Derivative Gains (Losses)	Policyholder Benefits and Claims	Interest Credited to Policyholder Account Balances	Other Expenses	OCI	
(In millions)							
Gain (Loss) on Fair Value Hedges:							
Interest rate derivatives:							
Derivatives designated as hedging instruments (1)	\$ 6	\$ —	N/A	\$ (373)	\$ (83)	\$ —	N/A
Hedged items	(6)	—	N/A	328	78	—	N/A
Foreign currency exchange rate derivatives:							
Derivatives designated as hedging instruments (1)	50	(191)	N/A	—	—	—	N/A
Hedged items	(44)	185	N/A	—	—	—	N/A
Amount excluded from the assessment of hedge effectiveness	—	—	N/A	—	—	—	N/A
Subtotal	6	(6)	N/A	(45)	(5)	—	N/A
Gain (Loss) on Cash Flow Hedges:							
Interest rate derivatives: (1)							
Amount of gains (losses) deferred in AOCI	N/A	N/A	N/A	N/A	N/A	N/A	\$ (599)
Amount of gains (losses) reclassified from AOCI into income	56	84	—	—	—	3	(143)
Foreign currency exchange rate derivatives: (1)							
Amount of gains (losses) deferred in AOCI	N/A	N/A	N/A	N/A	N/A	N/A	500
Amount of gains (losses) reclassified from AOCI into income	8	(403)	—	—	—	2	393
Foreign currency transaction gains (losses) on hedged items	—	401	—	—	—	—	—
Credit derivatives: (1)							
Amount of gains (losses) deferred in AOCI	N/A	N/A	N/A	N/A	N/A	N/A	(14)
Amount of gains (losses) reclassified from AOCI into income	—	—	—	—	—	—	—
Subtotal	64	82	—	—	—	5	137
Gain (Loss) on NIFO Hedges:							
Foreign currency exchange rate derivatives (1)	N/A	N/A	N/A	N/A	N/A	N/A	97
Non-derivative hedging instruments	N/A	N/A	N/A	N/A	N/A	N/A	42
Subtotal	N/A	N/A	N/A	N/A	N/A	N/A	139
Gain (Loss) on Derivatives Not Designated or Not Qualifying as Hedging Instruments:							
Interest rate derivatives (1)	2	N/A	(2,041)	N/A	N/A	N/A	N/A
Foreign currency exchange rate derivatives (1)	—	N/A	(983)	N/A	N/A	N/A	N/A
Credit derivatives — purchased (1)	—	N/A	9	N/A	N/A	N/A	N/A
Credit derivatives — written (1)	—	N/A	41	N/A	N/A	N/A	N/A
Equity derivatives (1)	(56)	N/A	(1,580)	N/A	N/A	N/A	N/A
Foreign currency transaction gains (losses) on hedged items	—	N/A	249	N/A	N/A	N/A	N/A
Subtotal	(54)	N/A	(4,305)	N/A	N/A	N/A	N/A
Earned income on derivatives	151	—	993	166	(121)	—	—
Synthetic GICs	N/A	N/A	—	N/A	N/A	N/A	N/A
Embedded derivatives	N/A	N/A	55	—	N/A	N/A	N/A
Total	\$ 167	\$ 76	\$ (3,257)	\$ 121	\$ (126)	\$ 5	\$ 276

(1) Excludes earned income on derivatives.



**MetLife, Inc.**
**Notes to the Consolidated Financial Statements — (continued)**
**12. Derivatives (continued)**
***Fair Value Hedges***

The Company designates and accounts for the following as fair value hedges when they have met the requirements of fair value hedging: (i) interest rate swaps to convert fixed rate assets and liabilities to floating rate assets and liabilities; (ii) foreign currency swaps to hedge the foreign currency fair value exposure of foreign currency denominated assets and liabilities; and (iii) foreign currency forwards to hedge the foreign currency fair value exposure of foreign currency denominated investments.

The following table presents the balance sheet classification, carrying amount and cumulative fair value hedging adjustments for items designated and qualifying as hedged items in fair value hedges:

Balance Sheet Line Item	Carrying Amount of the Hedged Assets/(Liabilities)		Cumulative Amount of Fair Value Hedging Adjustments Included in the Carrying Amount of Hedged Assets/(Liabilities) (1)	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
	(In millions)			
Fixed maturity securities AFS	\$ 454	\$ 1,411	\$ 3	\$ 1
Mortgage loans	\$ 359	\$ 331	\$ (11)	\$ (19)
Future policy benefits	\$ (2,863)	\$ (2,816)	\$ 191	\$ 199
Policyholder account balances	\$ (1,911)	\$ (1,789)	\$ 25	\$ 104

(1) Includes (\$111) million and (\$136) million of hedging adjustments on discontinued hedging relationships at December 31, 2023 and 2022, respectively.

For the Company's foreign currency forwards, the change in the estimated fair value of the derivative related to the changes in the difference between the spot price and the forward price is excluded from the assessment of hedge effectiveness. The Company has elected to record changes in estimated fair value of excluded components in earnings. For all other derivatives, all components of each derivative's gain or loss were included in the assessment of hedge effectiveness.

***Cash Flow Hedges***

The Company designates and accounts for the following as cash flow hedges when they have met the requirements of cash flow hedging: (i) interest rate swaps to convert floating rate assets and liabilities to fixed rate assets and liabilities; (ii) foreign currency swaps to hedge the foreign currency cash flow exposure of foreign currency denominated assets and liabilities; (iii) interest rate forwards and credit forwards to lock in the price to be paid for forward purchases of investments; (iv) interest rate swaps and interest rate forwards to hedge the forecasted purchases of fixed rate investments; and (v) interest rate swaps and interest rate forwards to hedge forecasted fixed rate borrowings.

In certain instances, the Company discontinued cash flow hedge accounting because the forecasted transactions were no longer probable of occurring. Because certain of the forecasted transactions also were not probable of occurring within two months of the anticipated date, the Company reclassified amounts from AOCI into income. These amounts were \$31 million, \$30 million and (\$1) million for the years ended December 31, 2023, 2022 and 2021, respectively.

At December 31, 2023 and 2022, the maximum length of time over which the Company was hedging its exposure to variability in future cash flows for forecasted transactions did not exceed five years and six years, respectively.

At December 31, 2023 and 2022, the balance in AOCI associated with cash flow hedges was \$166 million and \$2.0 billion, respectively.

All components of each derivative's gain or loss were included in the assessment of hedge effectiveness.

At December 31, 2023, the Company expected to reclassify \$41 million of deferred net gains (losses) on derivatives in AOCI to earnings within the next 12 months.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****12. Derivatives (continued)*****NIFO Hedges***

The Company uses foreign currency exchange rate derivatives, which may include foreign currency forwards and currency options, to hedge portions of its NIFO against adverse movements in exchange rates. The Company also designates a portion of its foreign-denominated debt as a non-derivative hedging instrument of its net investments in foreign operations. The Company assesses hedge effectiveness of its derivatives based upon the change in forward rates and assesses its non-derivative hedging instruments based upon the change in spot rates. All components of each derivative's gain or loss were included in the assessment of hedge effectiveness.

When net investments in foreign operations are sold or substantially liquidated, the amounts in AOCI are reclassified to the statement of operations.

At December 31, 2023 and 2022, the cumulative foreign currency translation gain (loss) recorded in AOCI related to NIFO hedges was \$681 million and \$435 million, respectively. At December 31, 2023 and 2022, the carrying amount of debt designated as a non-derivative hedging instrument was \$298 million and \$318 million, respectively.

See Note 16 for additional information on foreign-denominated debt.

***Credit Derivatives***

In connection with synthetically created credit investment transactions, the Company writes credit default swaps for which it receives a premium to insure credit risk. Such credit derivatives are included within the effects of derivatives on the consolidated statements of operations and comprehensive income (loss) table. If a credit event occurs, as defined by the contract, the contract may be cash settled or it may be settled gross by the Company paying the counterparty the specified swap notional amount in exchange for the delivery of par quantities of the referenced credit obligation. The Company can terminate these contracts at any time through cash settlement with the counterparty at an amount equal to the then current estimated fair value of the credit default swaps.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

12. Derivatives (continued)

The following table presents the estimated fair value, maximum amount of future payments and weighted average years to maturity of written credit default swaps at:

Rating Agency Designation of Referenced Credit Obligations (1)	December 31,					
	2023			2022		
	Estimated Fair Value of Credit Default Swaps	Maximum Amount of Future Payments under Credit Default Swaps	Weighted Average Years to Maturity (2)	Estimated Fair Value of Credit Default Swaps	Maximum Amount of Future Payments under Credit Default Swaps	Weighted Average Years to Maturity (2)
(Dollars in millions)						
<b>Aaa/Aa/A</b>						
Single name credit default swaps (3)	\$ 2	\$ 150	1.6	\$ 3	\$ 158	2.2
Credit default swaps referencing indices	80	3,830	2.7	79	4,251	3.4
Subtotal	82	3,980	2.6	82	4,409	3.4
<b>Baa</b>						
Single name credit default swaps (3)	1	99	2.1	1	81	2.5
Credit default swaps referencing indices	145	8,188	5.4	28	6,775	5.6
Subtotal	146	8,287	5.3	29	6,856	5.5
<b>Ba</b>						
Single name credit default swaps (3)	—	17	2.1	—	62	1.3
Credit default swaps referencing indices	2	25	3.0	2	25	4.0
Subtotal	2	42	2.6	2	87	2.1
<b>B</b>						
Credit default swaps referencing indices	2	129	5.0	2	130	4.7
Subtotal	2	129	5.0	2	130	4.7
<b>Caa</b>						
Credit default swaps referencing indices	(4)	30	2.5	(10)	30	3.5
Subtotal	(4)	30	2.5	(10)	30	3.5
<b>Total</b>	<b>\$ 228</b>	<b>\$ 12,468</b>	<b>4.5</b>	<b>\$ 105</b>	<b>\$ 11,512</b>	<b>4.7</b>

- (1) The rating agency designations are based on availability and the midpoint of the applicable ratings among Moody's Investors Service ("Moody's"), S&P and Fitch Ratings. If no rating is available from a rating agency, then an internally developed rating is used.
- (2) The weighted average years to maturity of the credit default swaps is calculated based on weighted average gross notional amounts.
- (3) Single name credit default swaps may be referenced to the credit of corporations, foreign governments, or municipals.

**Credit Risk on Freestanding Derivatives**

The Company may be exposed to credit-related losses in the event of nonperformance by its counterparties to derivatives. Generally, the current credit exposure of the Company's derivatives is limited to the net positive estimated fair value of derivatives at the reporting date after taking into consideration the existence of master netting or similar agreements and any collateral received pursuant to such agreements.

## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 12. Derivatives (continued)

The Company manages its credit risk related to derivatives by entering into transactions with creditworthy counterparties in jurisdictions in which it understands that close-out netting should be enforceable and establishing and monitoring exposure limits. The Company's OTC-bilateral derivative transactions are governed by International Swaps and Derivatives Association, Inc. ("ISDA") Master Agreements which provide for legally enforceable set-off and close-out netting of exposures to specific counterparties in the event of early termination of a transaction, which includes, but is not limited to, events of default and bankruptcy. In the event of an early termination, close-out netting permits the Company (subject to financial regulations such as the Orderly Liquidation Authority under Title II of Dodd-Frank) to set off receivables from the counterparty against payables to the same counterparty arising out of all included transactions and to apply collateral to the obligations, without application of the automatic stay, upon the counterparty's bankruptcy. All of the Company's ISDA Master Agreements also include Credit Support Annex provisions which require both the pledging and accepting of collateral in connection with its OTC-bilateral derivatives as required by applicable law. Additionally, the Company is required to pledge initial margin for certain new OTC-bilateral derivative transactions to third party custodians.

The Company's OTC-cleared derivatives are effected through central clearing counterparties and its exchange-traded derivatives are effected through regulated exchanges. Such positions are marked to market and margined on a daily basis (both initial margin and variation margin), and the Company has minimal exposure to credit-related losses in the event of nonperformance by brokers and central clearinghouses to such derivatives.

See Note 13 for a description of the impact of credit risk on the valuation of derivatives.

The estimated fair values of the Company's net derivative assets and net derivative liabilities after the application of master netting agreements and collateral were as follows at:

	December 31,			
	2023		2022	
Derivatives Subject to a Master Netting Arrangement or a Similar Arrangement	Assets	Liabilities	Assets	Liabilities
	(In millions)			
Gross estimated fair value of derivatives:				
OTC-bilateral (1)	\$ 8,749	\$ 6,014	\$ 11,438	\$ 6,628
OTC-cleared (1)	158	277	121	342
Exchange-traded	11	16	18	5
Total gross estimated fair value of derivatives presented on the consolidated balance sheets (1)	8,918	6,307	11,577	6,975
Gross amounts not offset on the consolidated balance sheets:				
Gross estimated fair value of derivatives: (2)				
OTC-bilateral	(3,568)	(3,568)	(4,579)	(4,579)
OTC-cleared	(5)	(5)	(33)	(33)
Exchange-traded	(1)	(1)	(1)	(1)
Cash collateral: (3), (4)				
OTC-bilateral	(3,448)	—	(5,432)	—
OTC-cleared	(150)	(239)	(35)	(295)
Exchange-traded	—	(5)	—	(3)
Securities collateral: (5)				
OTC-bilateral	(1,563)	(2,427)	(1,322)	(2,024)
OTC-cleared	—	(33)	—	(14)
Exchange-traded	—	(10)	—	(1)
Net amount after application of master netting agreements and collateral	<u>\$ 183</u>	<u>\$ 19</u>	<u>\$ 175</u>	<u>\$ 25</u>

- (1) At December 31, 2023 and 2022, derivative assets included income (expense) accruals reported in accrued investment income or in other liabilities of \$181 million and \$166 million, respectively, and derivative liabilities included (income) expense accruals reported in accrued investment income or in other liabilities of \$9 million and \$0, respectively.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****12. Derivatives (continued)**

- (2) Estimated fair value of derivatives is limited to the amount that is subject to set-off and includes income or expense accruals.
- (3) Cash collateral received by the Company for OTC-bilateral and OTC-cleared derivatives, where the central clearinghouse treats variation margin as collateral, is included in cash and cash equivalents, short-term investments or in fixed maturity securities AFS, and the obligation to return it is included in payables for collateral under securities loaned and other transactions on the balance sheet. For certain collateral agreements, cash collateral is pledged to the Company as initial margin on its OTC-bilateral derivatives.
- (4) The receivable for the return of cash collateral provided by the Company is inclusive of initial margin on exchange-traded and OTC-cleared derivatives and is included in premiums, reinsurance and other receivables on the balance sheet. The amount of cash collateral offset in the table above is limited to the net estimated fair value of derivatives after application of netting agreements. At December 31, 2023 and 2022, the Company received excess cash collateral of \$163 million and \$252 million, respectively, and provided excess cash collateral of \$98 million and \$125 million, respectively, which is not included in the table above due to the foregoing limitation.
- (5) Securities collateral received by the Company is held in separate custodial accounts and is not recorded on the balance sheet. Subject to certain constraints, the Company is permitted by contract to sell or re-pledge this collateral, but at December 31, 2023, none of the collateral had been sold or re-pledged. Securities collateral pledged by the Company is reported in fixed maturity securities AFS on the balance sheet. Subject to certain constraints, the counterparties are permitted by contract to sell or re-pledge this collateral. The amount of securities collateral offset in the table above is limited to the net estimated fair value of derivatives after application of netting agreements and cash collateral. At December 31, 2023 and 2022, the Company received excess securities collateral with an estimated fair value of \$298 million and \$398 million, respectively, for its OTC-bilateral derivatives, which are not included in the table above due to the foregoing limitation. At December 31, 2023 and 2022, the Company provided excess securities collateral with an estimated fair value of \$1.5 billion and \$1.2 billion, respectively, for its OTC-bilateral derivatives, \$945 million and \$1.0 billion, respectively, for its OTC-cleared derivatives, and \$137 million and \$184 million, respectively, for its exchange-traded derivatives, which are not included in the table above due to the foregoing limitation.

The Company's collateral arrangements for its OTC-bilateral derivatives generally require the counterparty in a net liability position, after considering the effect of netting agreements, to pledge collateral when the collateral amount owed by that counterparty reaches a minimum transfer amount. Substantially all of the Company's netting agreements for derivatives contain provisions that require both the Company and the counterparty to maintain a specific investment grade credit rating from each of Moody's and S&P. If a party's credit or financial strength rating, as applicable, were to fall below that specific investment grade credit rating, that party would be in violation of these provisions, and the other party to the derivatives could terminate the transactions and demand immediate settlement payment based on such party's reasonable valuation of the derivatives. A small number of these arrangements also include credit-contingent provisions that include a threshold above which collateral must be posted. Such agreements provide for a reduction of these thresholds (on a sliding scale that converges toward zero) in the event of downgrades in the credit ratings of MetLife, Inc. and/or the counterparty. At December 31, 2023, the amount of collateral not provided by the Company due to the existence of these thresholds was \$15 million.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**12. Derivatives (continued)**

The following table presents the estimated fair value of the Company’s OTC-bilateral derivatives that were in a net liability position after considering the effect of netting agreements, together with the estimated fair value and balance sheet location of the collateral pledged.

	December 31,					
	2023			2022		
	Derivatives Subject to Credit- Contingent Provisions	Derivatives Not Subject to Credit- Contingent Provisions	Total	Derivatives Subject to Credit- Contingent Provisions	Derivatives Not Subject to Credit- Contingent Provisions	Total
	(In millions)					
Estimated fair value of derivatives in a net liability position (1)	\$ 2,443	\$ 4	\$ 2,447	\$ 2,049	\$ —	\$ 2,049
Estimated fair value of collateral provided:						
Fixed maturity securities AFS	\$ 3,011	\$ 6	\$ 3,017	\$ 2,267	\$ —	\$ 2,267

(1) After taking into consideration the existence of netting agreements.

***Embedded Derivatives***

The Company issues certain products or purchases certain investments that contain embedded derivatives that are required to be separated from their host contracts and accounted for as freestanding derivatives.

The following table presents the estimated fair value and balance sheet location of the Company’s embedded derivatives that have been separated from their host contracts at:

	Balance Sheet Location	December 31,	
		2023	2022
		(In millions)	
Funds withheld on ceded reinsurance	Other liabilities	\$ (70)	\$ (123)
Fixed annuities with equity indexed returns	Policyholder account balances	163	140
Total		<u>\$ 93</u>	<u>\$ 17</u>

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**13. Fair Value**

When developing estimated fair values, the Company considers three broad valuation approaches: (i) the market approach, (ii) the income approach, and (iii) the cost approach. The Company determines the most appropriate valuation approach to use, given what is being measured and the availability of sufficient inputs, giving priority to observable inputs. The Company categorizes its assets and liabilities measured at estimated fair value into a three-level hierarchy, based on the significant input with the lowest level in its valuation. The input levels are as follows:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities. The Company defines active markets based on average trading volume for equity securities. The size of the bid/ask spread is used as an indicator of market activity for fixed maturity securities AFS.
- Level 2 Quoted prices in markets that are not active or inputs that are observable either directly or indirectly. These inputs can include quoted prices for similar assets or liabilities other than quoted prices in Level 1, quoted prices in markets that are not active, or other significant inputs that are observable or can be derived principally from or corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 Unobservable inputs that are supported by little or no market activity and are significant to the determination of estimated fair value of the assets or liabilities. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability.

Financial markets are susceptible to severe events evidenced by rapid depreciation in asset values accompanied by a reduction in asset liquidity. The Company's ability to sell securities, as well as the price ultimately realized for these securities, depends upon the demand and liquidity in the market and increases the use of judgment in determining the estimated fair value of certain securities.

Considerable judgment is often required in interpreting the market data used to develop estimates of fair value, and the use of different assumptions or valuation methodologies may have a material effect on the estimated fair value amounts.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

13. Fair Value (continued)

*Recurring Fair Value Measurements*

The assets and liabilities measured at estimated fair value on a recurring basis and their corresponding placement in the fair value hierarchy, including those items for which the Company has elected the FVO, are presented below at:

	December 31, 2023			
	Fair Value Hierarchy			Total Estimated Fair Value
	Level 1	Level 2	Level 3	
(In millions)				
<b>Assets</b>				
Fixed maturity securities AFS:				
U.S. corporate	\$ —	\$ 67,003	\$ 13,714	\$ 80,717
Foreign corporate	—	40,813	14,631	55,444
Foreign government	—	45,438	51	45,489
U.S. government and agency	15,327	16,925	—	32,252
RMBS	3	27,495	1,598	29,096
ABS & CLO	—	15,191	2,103	17,294
Municipals	—	11,171	—	11,171
CMBS	—	9,099	850	9,949
Total fixed maturity securities AFS	15,330	233,135	32,947	281,412
Equity securities	429	79	249	757
Unit-linked and FVO securities (1)	7,520	1,708	1,103	10,331
Short-term investments (2)	5,103	667	27	5,797
Other investments	48	363	975	1,386
Derivative assets: (3)				
Interest rate	1	3,674	—	3,675
Foreign currency exchange rate	2	4,393	23	4,418
Credit	—	228	8	236
Equity market	8	393	7	408
Total derivative assets	11	8,688	38	8,737
Market risk benefits	—	—	286	286
Reinsured market risk benefits (4)	—	—	18	18
Separate account assets (5)	66,229	77,258	1,147	144,634
Total assets (6)	\$ 94,670	\$ 321,898	\$ 36,790	\$ 453,358
<b>Liabilities</b>				
Derivative liabilities: (3)				
Interest rate	\$ 5	\$ 2,805	\$ 174	\$ 2,984
Foreign currency exchange rate	—	2,737	7	2,744
Credit	—	84	—	84
Equity market	11	475	—	486
Total derivative liabilities	16	6,101	181	6,298
Embedded derivatives within liability host contracts (7)	—	—	93	93
Market risk benefits	—	—	3,179	3,179
Separate account liabilities (5)	4	4	—	8
Total liabilities	\$ 20	\$ 6,105	\$ 3,453	\$ 9,578



Notes to the Consolidated Financial Statements — (continued)

13. Fair Value (continued)

	December 31, 2022			
	Fair Value Hierarchy			Total Estimated Fair Value
	Level 1	Level 2	Level 3	
(In millions)				
<b>Assets</b>				
Fixed maturity securities AFS:				
U.S. corporate	\$ —	\$ 67,578	\$ 12,452	\$ 80,030
Foreign corporate	—	40,623	11,949	52,572
Foreign government	—	46,644	103	46,747
U.S. government and agency	15,955	16,274	—	32,229
RMBS	4	24,515	1,646	26,165
ABS & CLO	—	14,895	1,927	16,822
Municipals	—	12,152	—	12,152
CMBS	—	9,367	696	10,063
Total fixed maturity securities AFS	15,959	232,048	28,773	276,780
Equity securities	1,293	132	259	1,684
Unit-linked and FVO securities (1)	7,101	1,780	787	9,668
Short-term investments (2)	3,830	686	57	4,573
Other investments	—	206	926	1,132
Derivative assets: (3)				
Interest rate	2	4,570	—	4,572
Foreign currency exchange rate	8	5,670	210	5,888
Credit	—	69	82	151
Equity market	8	785	7	800
Total derivative assets	18	11,094	299	11,411
Market risk benefits	—	—	280	280
Reinsured market risk benefits (4)	—	—	23	23
Separate account assets (5)	65,107	79,703	1,228	146,038
Total assets (6)	\$ 93,308	\$ 325,649	\$ 32,632	\$ 451,589
<b>Liabilities</b>				
Derivative liabilities: (3)				
Interest rate	\$ 1	\$ 3,153	\$ 404	\$ 3,558
Foreign currency exchange rate	—	2,820	50	2,870
Credit	—	92	15	107
Equity market	4	436	—	440
Total derivative liabilities	5	6,501	469	6,975
Embedded derivatives within liability host contracts (7)	—	—	17	17
Market risk benefits	—	—	3,763	3,763
Separate account liabilities (5)	8	15	18	41
Total liabilities	\$ 13	\$ 6,516	\$ 4,267	\$ 10,796

- (1) Unit-linked and FVO securities were primarily comprised of Unit-linked investments at both December 31, 2023 and 2022.
- (2) Short-term investments as presented in the tables above differ from the amounts presented on the consolidated balance sheets because certain short-term investments are not measured at estimated fair value on a recurring basis.
- (3) Derivative assets are presented within other invested assets on the consolidated balance sheets and derivative liabilities are presented within other liabilities on the consolidated balance sheets. The amounts are presented gross in the tables above to reflect the presentation on the consolidated balance sheets, but are presented net for purposes of the rollforward in the Fair Value Measurements Using Significant Unobservable Inputs (Level 3) tables.
- (4) Reinsured MRBs are presented within premiums, reinsurance and other receivables on the consolidated balance sheets.

**Notes to the Consolidated Financial Statements — (continued)**

**13. Fair Value (continued)**

- (5) Investment performance related to separate account assets is fully offset by corresponding amounts credited to contractholders whose liability is reflected within separate account liabilities. Separate account liabilities are set equal to the estimated fair value of separate account assets. Separate account liabilities presented in the tables above represent derivative liabilities.
- (6) Total assets included in the fair value hierarchy exclude OLPI that are measured at estimated fair value using the net asset value (“NAV”) per share (or its equivalent) practical expedient. At December 31, 2023 and 2022, the estimated fair value of such investments was \$52 million and \$65 million, respectively.
- (7) Embedded derivatives within liability host contracts are presented within PABs and other liabilities on the consolidated balance sheets.

The following describes the valuation methodologies used to measure assets and liabilities at fair value.

**Investments**

*Securities, Short-term Investments and Other Investments*

When available, the estimated fair value of these financial instruments is based on quoted prices in active markets that are readily and regularly obtainable. Generally, these are the most liquid of the Company’s securities holdings and valuation of these securities does not involve management’s judgment.

When quoted prices in active markets are not available, the determination of estimated fair value of securities is based on market standard valuation methodologies, giving priority to observable inputs. The significant inputs to the market standard valuation methodologies for certain types of securities with reasonable levels of price transparency are inputs that are observable in the market or can be derived principally from, or corroborated by, observable market data. When observable inputs are not available, the market standard valuation methodologies rely on inputs that are significant to the estimated fair value that are not observable in the market or cannot be derived principally from, or corroborated by, observable market data. These unobservable inputs can be based, in large part, on management’s judgment or estimation and cannot be supported by reference to market activity. Unobservable inputs are based on management’s assumptions about the inputs market participants would use in pricing such investments.

The estimated fair value of short-term investments and other investments is determined on a basis consistent with the methodologies described herein.

The valuation approaches and key inputs for each category of assets or liabilities that are classified within Level 2 and Level 3 of the fair value hierarchy are presented below. The primary valuation approaches are the market approach, which considers recent prices from market transactions involving identical or similar assets or liabilities, and the income approach, which converts expected future amounts (e.g., cash flows) to a single current, discounted amount. The valuation of most instruments listed below is determined using independent pricing sources, matrix pricing, discounted cash flow methodologies or other similar techniques that use either observable market inputs or unobservable inputs.

Notes to the Consolidated Financial Statements — (continued)

13. Fair Value (continued)

Instrument	Level 2 Observable Inputs	Level 3 Unobservable Inputs
<b>Fixed maturity securities AFS</b>		
<b>U.S. corporate and Foreign corporate securities</b>		
	Valuation Approaches: Principally the market and income approaches. Key Inputs: <ul style="list-style-type: none"> <li>• quoted prices in markets that are not active</li> <li>• benchmark yields; spreads off benchmark yields; new issuances; issuer ratings</li> <li>• trades of identical or comparable securities; duration</li> <li>• privately-placed securities are valued using the additional key inputs:                             <ul style="list-style-type: none"> <li>• market yield curve; call provisions</li> <li>• observable prices and spreads for similar public or private securities that incorporate the credit quality and industry sector of the issuer</li> <li>• delta spread adjustments to reflect specific credit-related issues</li> </ul> </li> </ul>	Valuation Approaches: Principally the market approach. Key Inputs: <ul style="list-style-type: none"> <li>• illiquidity premium</li> <li>• delta spread adjustments to reflect specific credit-related issues</li> <li>• credit spreads</li> <li>• quoted prices in markets that are not active for identical or similar securities that are less liquid and based on lower levels of trading activity than securities classified in Level 2</li> <li>• independent non-binding broker quotations</li> </ul>
<b>Foreign government securities, U.S. government and agency securities and Municipals</b>		
	Valuation Approaches: Principally the market approach. Key Inputs: <ul style="list-style-type: none"> <li>• quoted prices in markets that are not active</li> <li>• benchmark U.S. Treasury yield or other yields</li> <li>• the spread off the U.S. Treasury yield curve for the identical security</li> <li>• issuer ratings and issuer spreads; broker-dealer quotations</li> <li>• comparable securities that are actively traded</li> </ul>	Valuation Approaches: Principally the market approach. Key Inputs: <ul style="list-style-type: none"> <li>• independent non-binding broker quotations</li> <li>• quoted prices in markets that are not active for identical or similar securities that are less liquid and based on lower levels of trading activity than securities classified in Level 2</li> <li>• credit spreads</li> </ul>
<b>Structured Products</b>		
	Valuation Approaches: Principally the market and income approaches. Key Inputs: <ul style="list-style-type: none"> <li>• quoted prices in markets that are not active</li> <li>• spreads for actively traded securities; spreads off benchmark yields</li> <li>• expected prepayment speeds and volumes</li> <li>• current and forecasted loss severity; ratings; geographic region</li> <li>• weighted average coupon and weighted average maturity</li> <li>• average delinquency rates; DSCR</li> <li>• credit ratings</li> <li>• issuance-specific information, including, but not limited to:                             <ul style="list-style-type: none"> <li>• collateral type; structure of the security; vintage of the loans</li> <li>• payment terms of the underlying assets</li> <li>• payment priority within the tranche; deal performance</li> </ul> </li> </ul>	Valuation Approaches: Principally the market and income approaches. Key Inputs: <ul style="list-style-type: none"> <li>• credit spreads</li> <li>• quoted prices in markets that are not active for identical or similar securities that are less liquid and based on lower levels of trading activity than securities classified in Level 2</li> <li>• independent non-binding broker quotations</li> <li>• credit ratings</li> </ul>

Notes to the Consolidated Financial Statements — (continued)

13. Fair Value (continued)

Instrument	Level 2 Observable Inputs	Level 3 Unobservable Inputs
<b>Equity securities</b>		
	Valuation Approaches: Principally the market approach. Key Input: <ul style="list-style-type: none"> <li>quoted prices in markets that are not considered active</li> </ul>	Valuation Approaches: Principally the market and income approaches. Key Inputs: <ul style="list-style-type: none"> <li>credit ratings; issuance structures</li> <li>quoted prices in markets that are not active for identical or similar securities that are less liquid and based on lower levels of trading activity than securities classified in Level 2</li> <li>independent non-binding broker quotations</li> </ul>
<b>Unit-linked and FVO securities, Short-term investments and Other investments</b>		
	Valuation Approaches: Principally the market and income approaches. Key Inputs: <ul style="list-style-type: none"> <li>Unit-linked and FVO securities include mutual fund interests without readily determinable fair values given prices are not published publicly. Valuation of these mutual funds is based upon quoted prices or reported NAV provided by the fund managers, which were based on observable inputs.</li> <li>Short-term investments and other investments are of a similar nature and class to the fixed maturity securities AFS and equity securities described above; accordingly, the valuation approaches and observable inputs used in their valuation are also similar to those described above.</li> </ul>	Valuation Approaches: Principally the market and income approaches. Key Inputs: <ul style="list-style-type: none"> <li>Unit-linked and FVO securities, short-term investments and other investments are of a similar nature and class to the fixed maturity securities AFS and equity securities described above; accordingly, the valuation approaches and unobservable inputs used in their valuation are also similar to those described above. Other investments also include certain REJV and use the valuation approach and key inputs as described for OLPI below.</li> </ul>
<b>Separate account assets and Separate account liabilities (1)</b>		
<b>Mutual funds and hedge funds without readily determinable fair values as prices are not published publicly</b>		
	Key Input: <ul style="list-style-type: none"> <li>quoted prices or reported NAV provided by the fund managers</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>OLPI</b>		
	<ul style="list-style-type: none"> <li>N/A</li> </ul>	Valued giving consideration to the underlying holdings of the partnerships and adjusting, if appropriate. Key Inputs: <ul style="list-style-type: none"> <li>liquidity; bid/ask spreads; performance record of the fund manager</li> <li>other relevant variables that may impact the exit value of the particular partnership interest</li> </ul>

- (1) Estimated fair value equals carrying value, based on the value of the underlying assets, including: mutual fund interests, fixed maturity securities, equity securities, derivatives, hedge funds, OLPI, short-term investments and cash and cash equivalents. The estimated fair value of fixed maturity securities, equity securities, derivatives, short-term investments and cash and cash equivalents is determined on a basis consistent with the assets described under “— Securities, Short-term Investments and Other Investments” and “— Derivatives — Freestanding Derivatives.”

**Derivatives**

The estimated fair value of derivatives is determined through the use of quoted market prices for exchange-traded derivatives, or through the use of pricing models for OTC-bilateral and OTC-cleared derivatives. The determination of estimated fair value, when quoted market values are not available, is based on market standard valuation methodologies and inputs that management believes are consistent with what other market participants would use when pricing such instruments. Derivative valuations can be affected by changes in interest rates, foreign currency exchange rates, financial indices, credit spreads, default risk, nonperformance risk, volatility, liquidity and changes in estimates and assumptions used in the pricing models.

The significant inputs to the pricing models for most OTC-bilateral and OTC-cleared derivatives are inputs that are observable in the market or can be derived principally from, or corroborated by, observable market data. With respect to certain OTC-bilateral and OTC-cleared derivatives, management may rely on inputs that are significant to the estimated fair value that are not observable in the market or cannot be derived principally from, or corroborated by, observable market data. These unobservable inputs may involve significant management judgment or estimation. Unobservable inputs are based on management’s assumptions about the inputs market participants would use in pricing such derivatives.

Notes to the Consolidated Financial Statements — (continued)

13. Fair Value (continued)

Most inputs for OTC-bilateral and OTC-cleared derivatives are mid-market inputs but, in certain cases, liquidity adjustments are made when they are deemed more representative of exit value. Market liquidity, as well as the use of different methodologies, assumptions and inputs, may have a material effect on the estimated fair values of the Company's derivatives and could materially affect net income.

The credit risk of both the counterparty and the Company is considered in determining the estimated fair value for all OTC-bilateral and OTC-cleared derivatives, and any potential credit adjustment is based on the net exposure by counterparty after taking into account the effects of netting agreements and collateral arrangements. The Company values its OTC-bilateral and OTC-cleared derivatives using standard swap curves which may include a spread to the risk-free rate, depending upon specific collateral arrangements. This credit spread is appropriate for those parties that execute trades at pricing levels consistent with similar collateral arrangements. As the Company and its significant derivative counterparties generally execute trades at such pricing levels and hold sufficient collateral, additional credit risk adjustments are not currently required in the valuation process. The Company's ability to consistently execute at such pricing levels is, in part, due to the netting agreements and collateral arrangements that are in place with all of its significant derivative counterparties. An evaluation of the requirement to make additional credit risk adjustments is performed by the Company each reporting period.

*Freestanding Derivatives*

Level 2 Valuation Approaches and Key Inputs:

This level includes all types of derivatives utilized by the Company with the exception of exchange-traded derivatives included within Level 1 and those derivatives with unobservable inputs as described in Level 3.

Level 3 Valuation Approaches and Key Inputs:

These valuation methodologies generally use the same inputs as described in the corresponding sections for Level 2 measurements of derivatives. However, these derivatives result in Level 3 classification because one or more of the significant inputs are not observable in the market or cannot be derived principally from, or corroborated by, observable market data.

Freestanding derivatives are principally valued using the income approach. Valuations of non-option-based derivatives utilize present value techniques, whereas valuations of option-based derivatives utilize option pricing models. Key inputs are as follows:

Instrument	Interest Rate	Foreign Currency Exchange Rate	Credit	Equity Market
Inputs common to Level 2 and Level 3 by instrument type	<ul style="list-style-type: none"> <li>• swap yield curves</li> <li>• basis curves</li> <li>• interest rate volatility (1)</li> </ul>	<ul style="list-style-type: none"> <li>• swap yield curves</li> <li>• basis curves</li> <li>• currency spot rates</li> <li>• cross currency basis curves</li> <li>• currency volatility (1)</li> </ul>	<ul style="list-style-type: none"> <li>• swap yield curves</li> <li>• credit curves</li> <li>• recovery rates</li> </ul>	<ul style="list-style-type: none"> <li>• swap yield curves</li> <li>• spot equity index levels</li> <li>• dividend yield curves</li> <li>• equity volatility (1)</li> </ul>
Level 3	<ul style="list-style-type: none"> <li>• swap yield curves (2)</li> <li>• basis curves (2)</li> <li>• repurchase rates</li> <li>• interest rate volatility (1), (2)</li> </ul>	<ul style="list-style-type: none"> <li>• swap yield curves (2)</li> <li>• basis curves (2)</li> <li>• cross currency basis curves (2)</li> <li>• currency correlation</li> <li>• currency volatility (1)</li> </ul>	<ul style="list-style-type: none"> <li>• swap yield curves (2)</li> <li>• credit curves (2)</li> <li>• credit spreads</li> <li>• repurchase rates</li> <li>• independent non-binding broker quotations</li> </ul>	<ul style="list-style-type: none"> <li>• dividend yield curves (2)</li> <li>• equity volatility (1), (2)</li> <li>• correlation between model inputs (1)</li> </ul>

(1) Option-based only.

(2) Extrapolation beyond the observable limits of the curve(s).

## Notes to the Consolidated Financial Statements — (continued)

**13. Fair Value (continued)*****Embedded Derivatives***

Embedded derivatives principally include equity-indexed annuity contracts and investment risk within funds withheld related to certain reinsurance agreements. Embedded derivatives are recorded at estimated fair value with changes in estimated fair value reported in net income.

The estimated fair value of the embedded derivatives within funds withheld related to certain ceded reinsurance is determined based on the change in estimated fair value of the underlying assets held by the Company in a reference portfolio backing the funds withheld liability. The estimated fair value of the underlying assets is determined as described in “— Investments — Securities, Short-term Investments and Other Investments.” The estimated fair value of these embedded derivatives is included, along with their funds withheld hosts, in other liabilities on the consolidated balance sheets with changes in estimated fair value recorded in net derivative gains (losses). Changes in the credit spreads on the underlying assets, interest rates and market volatility may result in significant fluctuations in the estimated fair value of these embedded derivatives that could materially affect net income.

The estimated fair value of the embedded equity indexed derivatives, based on the present value of future equity returns to the policyholder using actuarial and present value assumptions including expectations concerning policyholder behavior, is calculated by the Company’s actuarial department. The calculation is based on in-force business and uses standard capital market techniques, such as Black-Scholes, to calculate the value of the portion of the embedded derivative for which the terms are set. The portion of the embedded derivative covering the period beyond where terms are set is calculated as the present value of amounts expected to be spent to provide equity indexed returns in those periods. The valuation of these embedded derivatives also includes the establishment of a risk margin, as well as changes in nonperformance risk.

***Market Risk Benefits***

See Note 6 for information on the Company’s valuation approaches and key inputs for MRBs.

***Transfers between Levels***

Overall, transfers between levels occur when there are changes in the observability of inputs and market activity.

***Transfers into or out of Level 3:***

Assets and liabilities are transferred into Level 3 when a significant input cannot be corroborated with market observable data. This occurs when market activity decreases significantly and underlying inputs cannot be observed, current prices are not available, and/or when there are significant variances in quoted prices, thereby affecting transparency. Assets and liabilities are transferred out of Level 3 when circumstances change such that a significant input can be corroborated with market observable data. This may be due to a significant increase in market activity, a specific event, or one or more significant input(s) becoming observable.

Notes to the Consolidated Financial Statements — (continued)

13. Fair Value (continued)

***Assets and Liabilities Measured at Fair Value Using Significant Unobservable Inputs (Level 3)***

The following table presents certain quantitative information about the significant unobservable inputs used in the fair value measurement, and the sensitivity of the estimated fair value to changes in those inputs, for the more significant asset and liability classes measured at fair value on a recurring basis using significant unobservable inputs (Level 3) at:

	Valuation Techniques	Significant Unobservable Inputs	December 31, 2023		December 31, 2022		Impact of Increase in Input on Estimated Fair Value (2)
			Range	Weighted Average (1)	Range	Weighted Average (1)	
<b>Fixed maturity securities AFS (3)</b>							
U.S. corporate and foreign corporate	• Matrix pricing	• Offered quotes (4)	4 - 131	93	— - 126	87	Increase
	• Market pricing	• Quoted prices (4)	— - 110	92	20 - 109	90	Increase
	• Consensus pricing	• Offered quotes (4)	86 - 102	96	5 - 99	93	Increase
RMBS	• Market pricing	• Quoted prices (4)	— - 112	93	— - 106	93	Increase (5)
ABS & CLO	• Market pricing	• Quoted prices (4)	3 - 101	93	3 - 102	91	Increase (5)
<b>Derivatives</b>							
Interest rate	• Present value techniques	• Swap yield (6)	367 - 399	385	372 - 392	381	Increase (7)
Foreign currency exchange rate	• Present value techniques	• Swap yield (6)	185 - 399	193	74 - 1,938	208	Increase (7)
Credit	• Present value techniques	• Credit spreads (8)	— - —	—	84 - 138	101	Decrease (7)
	• Consensus pricing	• Offered quotes (9)					
<b>Market Risk Benefits and Reinsured Market Risk Benefits</b>							
Direct, assumed and ceded guaranteed minimum benefits	• Option pricing techniques	• Mortality rates:					
		Ages 0 - 40	0% - 0.15%	0.05%	0% - 0.15%	0.05%	(10)
		Ages 41 - 60	0.04% - 0.75%	0.22%	0.05% - 0.75%	0.20%	(10)
	Ages 61 - 115	0% - 100%	1.23%	0.23% - 100%	1.44%	(10)	
	• Lapse rates:						
	Durations 1 - 10	0.39% - 20.10%	8.72%	0.40% - 37.50%	8.96%	Decrease (11)	
	Durations 11 - 20	0.39% - 15%	4.34%	0.49% - 35.75%	6.52%	Decrease (11)	
	Durations 21 - 116	0.10% - 15%	4.59%	0.49% - 35.75%	2.89%	Decrease (11)	
	• Utilization rates	0.20% - 22%	0.44%	0.20% - 22%	0.38%	Increase (12)	
	• Withdrawal rates	0% - 20%	4.47%	0% - 20%	4.02%	(13)	
• Long-term equity volatilities	8.05% - 21.85%	18.55%	8.26% - 22.01%	18.49%	Increase (14)		
• Nonperformance risk spread	0.38% - 1.59%	0.73%	0.34% - 1.77%	0.75%	Decrease (15)		

- The weighted average for fixed maturity securities AFS and derivatives is determined based on the estimated fair value of the securities and derivatives. The weighted average for MRBs is determined based on a combination of account values and experience data.
- The impact of a decrease in input would have resulted in the opposite impact on estimated fair value. For MRBs, changes to direct and assumed guaranteed minimum benefits are based on liability positions; changes to ceded guaranteed minimum benefits are based on asset positions.
- Significant increases (decreases) in expected default rates in isolation would have resulted in substantially lower (higher) valuations.
- Range and weighted average are presented in accordance with the market convention for fixed maturity securities AFS of dollars per hundred dollars of par.
- Changes in the assumptions used for the probability of default would have been accompanied by a directionally similar change in the assumption used for the loss severity and a directionally opposite change in the assumptions used for prepayment rates.

**Notes to the Consolidated Financial Statements — (continued)****13. Fair Value (continued)**

- (6) Ranges represent the rates across different yield curves and are presented in basis points. The swap yield curves are utilized among different types of derivatives to project cash flows, as well as to discount future cash flows to present value. Since this valuation methodology uses a range of inputs across a yield curve to value the derivative, presenting a range is more representative of the unobservable input used in the valuation.
- (7) Changes in estimated fair value are based on long U.S. dollar net asset positions and will be inversely impacted for short U.S. dollar net asset positions.
- (8) Represents the risk quoted in basis points of a credit default event on the underlying instrument. Credit derivatives with significant unobservable inputs are primarily comprised of written credit default swaps.
- (9) At December 31, 2023 and 2022, independent non-binding broker quotations were used in the determination of less than 1% and 1%, respectively, of the total net derivative estimated fair value.
- (10) Mortality rates vary by age and by demographic characteristics such as gender. Mortality rate assumptions are based on company experience. A mortality improvement assumption is also applied. For any given contract, mortality rates vary throughout the period over which cash flows are projected for purposes of valuing the MRBs. For contracts that contain only a GMDB, any increase (decrease) in mortality rates result in an increase (decrease) in the estimated fair value of MRBs. Generally, for contracts that contain both a GMDB and a living benefit (e.g., GMIB, GMWB, GMAB), any increase (decrease) in mortality rates result in a decrease (increase) in the estimated fair value of MRBs.
- (11) Base lapse rates are adjusted at the contract level based on a comparison of the actuarially calculated guaranteed values and the current policyholder account value, as well as other factors, such as the applicability of any surrender charges. A dynamic lapse function reduces the base lapse rate when the guaranteed amount is greater than the account value as in the money contracts are less likely to lapse. Lapse rates are also generally assumed to be lower in periods when a surrender charge applies. For any given contract, lapse rates vary throughout the period over which cash flows are projected for purposes of valuing the MRBs.
- (12) The utilization rate assumption estimates the percentage of contractholders with GMIBs or a lifetime withdrawal benefit who will elect to utilize the benefit upon becoming eligible. The rates may vary by the type of guarantee, the amount by which the guaranteed amount is greater than the account value, the contract's withdrawal history and by the age of the policyholder. For any given contract, utilization rates vary throughout the period over which cash flows are projected for purposes of valuing the MRBs.
- (13) The withdrawal rate represents the percentage of account balance that any given policyholder will elect to withdraw from the contract each year. The withdrawal rate assumption varies by age and duration of the contract, and also by other factors such as benefit type. For any given contract, withdrawal rates vary throughout the period over which cash flows are projected for purposes of valuing the MRB. For GMWBs, any increase (decrease) in withdrawal rates results in an increase (decrease) in the estimated fair value of the guarantees. For GMABs and GMIBs, any increase (decrease) in withdrawal rates results in a decrease (increase) in the estimated fair value.
- (14) Long-term equity volatilities represent equity volatility beyond the period for which observable equity volatilities are available. For any given contract, long-term equity volatility rates vary throughout the period over which cash flows are projected for purposes of valuing the MRBs.
- (15) Nonperformance risk spread varies by duration and by currency. For any given contract, multiple nonperformance risk spreads will apply, depending on the duration of the cash flow being discounted for purposes of valuing the MRBs.

All other classes of securities classified within Level 3, including those within Unit-linked and FVO securities, Other investments, Separate account assets, and Embedded derivatives within funds withheld related to certain ceded reinsurance, use the same valuation techniques and significant unobservable inputs as previously described for Level 3 securities. Generally, all other classes of assets and liabilities classified within Level 3 that are not included above use the same valuation techniques and significant unobservable inputs as previously described for Level 3. The sensitivity of the estimated fair value to changes in the significant unobservable inputs for these other assets and liabilities is similar in nature to that described in the preceding table. The valuation techniques and significant unobservable inputs used in the fair value measurement for the more significant assets measured at estimated fair value on a nonrecurring basis and determined using significant unobservable inputs (Level 3) are summarized in “— Nonrecurring Fair Value Measurements.”



MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

13. Fair Value (continued)

The following tables summarize the change of all assets (liabilities) measured at estimated fair value on a recurring basis using significant unobservable inputs (Level 3):

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)				
	Fixed Maturity Securities AFS				
	Corporate (6)	Foreign Government	Structured Products	Equity Securities	Unit-linked and FVO Securities
	(In millions)				
Balance, January 1, 2022	\$ 25,435	\$ 91	\$ 5,871	\$ 151	\$ 901
Total realized/unrealized gains (losses) included in net income (loss) (1), (2)	(7)	(38)	29	16	(133)
Total realized/unrealized gains (losses) included in AOCI	(6,221)	(13)	(478)	—	—
Purchases (3)	5,273	36	967	108	28
Sales (3)	(1,762)	(9)	(984)	(14)	(24)
Issuances (3)	—	—	—	—	—
Settlements (3)	—	—	—	—	—
Transfers into Level 3 (4)	2,127	46	251	—	23
Transfers out of Level 3 (4)	(444)	(10)	(1,387)	(2)	(8)
Balance, December 31, 2022	24,401	103	4,269	259	787
Total realized/unrealized gains (losses) included in net income (loss) (1), (2)	(35)	2	(11)	9	138
Total realized/unrealized gains (losses) included in AOCI	1,413	(3)	33	—	—
Purchases (3)	4,896	13	757	2	205
Sales (3)	(2,112)	(12)	(707)	(21)	(19)
Issuances (3)	—	—	—	—	—
Settlements (3)	—	—	—	—	—
Transfers into Level 3 (4)	249	4	322	—	1
Transfers out of Level 3 (4)	(467)	(56)	(112)	—	(9)
Balance, December 31, 2023	\$ 28,345	\$ 51	\$ 4,551	\$ 249	\$ 1,103
Changes in unrealized gains (losses) included in net income (loss) for the instruments still held at December 31, 2021 (5)	\$ (5)	\$ —	\$ 42	\$ 13	\$ 101
Changes in unrealized gains (losses) included in net income (loss) for the instruments still held at December 31, 2022 (5)	\$ (3)	\$ (38)	\$ 27	\$ 11	\$ (131)
Changes in unrealized gains (losses) included in net income (loss) for the instruments still held at December 31, 2023 (5)	\$ (10)	\$ 2	\$ 10	\$ —	\$ 136
Changes in unrealized gains (losses) included in AOCI for the instruments still held at December 31, 2021 (5)	\$ (1,293)	\$ (2)	\$ (24)	\$ —	\$ —
Changes in unrealized gains (losses) included in AOCI for the instruments still held at December 31, 2022 (5)	\$ (6,136)	\$ (13)	\$ (450)	\$ —	\$ —
Changes in unrealized gains (losses) included in AOCI for the instruments still held at December 31, 2023 (5)	\$ 1,371	\$ (3)	\$ 14	\$ —	\$ —
Gains (Losses) Data for the year ended December 31, 2021:					
Total realized/unrealized gains (losses) included in net income (loss) (1), (2)	\$ (34)	\$ —	\$ 46	\$ 27	\$ 101
Total realized/unrealized gains (losses) included in AOCI	\$ (1,334)	\$ (2)	\$ (26)	\$ —	\$ —

Notes to the Consolidated Financial Statements — (continued)

13. Fair Value (continued)

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)					
	Short-term Investments	Residential Mortgage Loans - FVO	Other Investments	Net Derivatives (7)	Net Embedded Derivatives (8)	Separate Accounts (9)
	(In millions)					
Balance, January 1, 2022	\$ 3	\$ 127	\$ 898	\$ (152)	\$ (222)	\$ 2,131
Total realized/unrealized gains (losses) included in net income (loss) (1), (2)	—	(8)	57	238	121	61
Total realized/unrealized gains (losses) included in AOCI	—	—	—	(537)	—	—
Purchases (3)	56	—	246	82	—	202
Sales (3)	(2)	(108)	(177)	—	—	(1,164)
Issuances (3)	—	—	—	(3)	—	(2)
Settlements (3)	—	(11)	—	201	84	4
Transfers into Level 3 (4)	—	—	—	—	—	1
Transfers out of Level 3 (4)	—	—	(98)	1	—	(23)
Balance, December 31, 2022	57	—	926	(170)	(17)	1,210
Total realized/unrealized gains (losses) included in net income (loss) (1), (2)	—	—	22	(39)	(36)	(60)
Total realized/unrealized gains (losses) included in AOCI	1	—	—	(5)	—	—
Purchases (3)	27	—	27	—	—	167
Sales (3)	(48)	—	—	—	—	(180)
Issuances (3)	—	—	—	—	—	—
Settlements (3)	—	—	—	199	(40)	1
Transfers into Level 3 (4)	—	—	—	—	—	13
Transfers out of Level 3 (4)	(10)	—	—	(128)	—	(4)
Balance, December 31, 2023	\$ 27	\$ —	\$ 975	\$ (143)	\$ (93)	\$ 1,147
Changes in unrealized gains (losses) included in net income (loss) for the instruments still held at December 31, 2021 (5)	\$ —	\$ (10)	\$ 89	\$ (361)	\$ 55	\$ —
Changes in unrealized gains (losses) included in net income (loss) for the instruments still held at December 31, 2022 (5)	\$ —	\$ —	\$ 56	\$ 325	\$ 121	\$ —
Changes in unrealized gains (losses) included in net income (loss) for the instruments still held at December 31, 2023 (5)	\$ —	\$ —	\$ 23	\$ (39)	\$ (36)	\$ —
Changes in unrealized gains (losses) included in AOCI for the instruments still held at December 31, 2021 (5)	\$ —	\$ —	\$ —	\$ (128)	\$ —	\$ —
Changes in unrealized gains (losses) included in AOCI for the instruments still held at December 31, 2022 (5)	\$ —	\$ —	\$ —	\$ (459)	\$ —	\$ —
Changes in unrealized gains (losses) included in AOCI for the instruments still held at December 31, 2023 (5)	\$ —	\$ —	\$ —	\$ (5)	\$ —	\$ —
Gains (Losses) Data for the year ended December 31, 2021:						
Total realized/unrealized gains (losses) included in net income (loss) (1), (2)	\$ 1	\$ (5)	\$ 94	\$ (460)	\$ 55	\$ 29
Total realized/unrealized gains (losses) included in AOCI	\$ (3)	\$ —	\$ —	\$ (334)	\$ —	\$ —

- (1) Amortization of premium/accretion of discount is included within net investment income. Impairments and changes in ACL charged to net income (loss) on certain securities are included in net investment gains (losses), while changes in estimated fair value of Unit-linked and FVO securities and residential mortgage loans — FVO are included in net investment income. Lapses associated with net embedded derivatives are included in net derivative gains (losses). Substantially all realized/unrealized gains (losses) included in net income (loss) for net derivatives and net embedded derivatives are reported in net derivative gains (losses).

Notes to the Consolidated Financial Statements — (continued)

13. Fair Value (continued)

- (2) Interest and dividend accruals, as well as cash interest coupons and dividends received, are excluded from the rollforward.
- (3) Items purchased/issued and then sold/settled in the same period are excluded from the rollforward. Fees attributed to embedded derivatives are included in settlements.
- (4) Items transferred into and then out of Level 3 in the same period are excluded from the rollforward.
- (5) Changes in unrealized gains (losses) included in net income (loss) and included in AOCI relate to assets and liabilities still held at the end of the respective periods. Substantially all changes in unrealized gains (losses) included in net income (loss) for net derivatives and net embedded derivatives are reported in net derivative gains (losses).
- (6) Comprised of U.S. and foreign corporate securities.
- (7) Freestanding derivative assets and liabilities are presented net for purposes of the rollforward.
- (8) Embedded derivative assets and liabilities are presented net for purposes of the rollforward.
- (9) Investment performance related to separate account assets is fully offset by corresponding amounts credited to contractholders within separate account liabilities. Therefore, such changes in estimated fair value are not recorded in net income (loss). For the purpose of this disclosure, these changes are presented within net income (loss). Separate account assets and liabilities are presented net for the purposes of the rollforward.

**Nonrecurring Fair Value Measurements**

The following table presents information for assets measured at estimated fair value on a nonrecurring basis during the periods and still held at the reporting dates (for example, when there is evidence of impairment), using significant unobservable inputs (Level 3).

	December 31,	
	2023	2022
(In millions)		
Carrying value after measurement:		
Mortgage loans (1)	\$ 474	\$ 263
Other invested assets (2)	\$ 63	\$ —
Other assets (3)	\$ —	\$ 1

	Years Ended December 31,		
	2023	2022	2021
(In millions)			
Realized gains (losses) net:			
Mortgage loans (1)	\$ (215)	\$ (13)	\$ (116)
Other invested assets (2)	\$ (136)	\$ —	\$ —
Other assets (3)	\$ (5)	\$ (14)	\$ (74)

- (1) Estimated fair values of impaired mortgage loans are based on the underlying collateral or discounted cash flows. See Note 11.
- (2) The Company recognized an impairment loss for the year ended December 31, 2023 in connection with the pending disposition of MetLife Malaysia. See Note 3.
- (3) The Company recognized impairments related to the abandonment of certain leased office space and the related leasehold improvements.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

13. Fair Value (continued)

*Fair Value of Financial Instruments Carried at Other Than Fair Value*

The following tables provide fair value information for financial instruments that are carried on the balance sheet at amounts other than fair value. These tables exclude the following financial instruments: cash and cash equivalents, accrued investment income, payables for collateral under securities loaned and other transactions, short-term debt and those short-term investments that are not securities, such as time deposits, and therefore are not included in the three-level hierarchy table disclosed in the “— Recurring Fair Value Measurements” section. The Company believes that due to the short-term nature of these excluded assets, which are primarily classified in Level 2, the estimated fair value approximates carrying value. All remaining balance sheet amounts excluded from the tables below are not considered financial instruments subject to this disclosure.

The carrying values and estimated fair values for such financial instruments, and their corresponding placement in the fair value hierarchy, are summarized as follows at:

	December 31, 2023				
	Carrying Value	Fair Value Hierarchy			Total Estimated Fair Value
		Level 1	Level 2	Level 3	
	(In millions)				
<b>Assets</b>					
Mortgage loans (1)	\$ 92,506	\$ —	\$ —	\$ 87,753	\$ 87,753
Policy loans	\$ 8,788	\$ —	\$ —	\$ 9,516	\$ 9,516
Other invested assets	\$ 919	\$ —	\$ 714	\$ 205	\$ 919
Premiums, reinsurance and other receivables	\$ 5,182	\$ —	\$ 791	\$ 4,400	\$ 5,191
Other assets	\$ 268	\$ —	\$ 82	\$ 184	\$ 266
<b>Liabilities</b>					
Policyholder account balances	\$ 138,233	\$ —	\$ —	\$ 134,025	\$ 134,025
Long-term debt	\$ 15,516	\$ —	\$ 15,621	\$ —	\$ 15,621
Collateral financing arrangement	\$ 637	\$ —	\$ —	\$ 551	\$ 551
Junior subordinated debt securities	\$ 3,161	\$ —	\$ 3,552	\$ —	\$ 3,552
Other liabilities	\$ 10,556	\$ —	\$ 609	\$ 9,651	\$ 10,260
Separate account liabilities	\$ 75,705	\$ —	\$ 75,705	\$ —	\$ 75,705

	December 31, 2022				
	Carrying Value	Fair Value Hierarchy			Total Estimated Fair Value
		Level 1	Level 2	Level 3	
	(In millions)				
<b>Assets</b>					
Mortgage loans (1)	\$ 83,763	\$ —	\$ —	\$ 78,694	\$ 78,694
Policy loans	\$ 8,874	\$ —	\$ —	\$ 9,682	\$ 9,682
Other invested assets	\$ 946	\$ —	\$ 729	\$ 217	\$ 946
Premiums, reinsurance and other receivables	\$ 2,905	\$ —	\$ 1,042	\$ 1,921	\$ 2,963
Other assets	\$ 267	\$ —	\$ 90	\$ 175	\$ 265
<b>Liabilities</b>					
Policyholder account balances	\$ 133,788	\$ —	\$ —	\$ 127,514	\$ 127,514
Long-term debt	\$ 14,591	\$ —	\$ 14,241	\$ —	\$ 14,241
Collateral financing arrangement	\$ 716	\$ —	\$ —	\$ 591	\$ 591
Junior subordinated debt securities	\$ 3,158	\$ —	\$ 3,502	\$ —	\$ 3,502
Other liabilities	\$ 2,908	\$ —	\$ 1,377	\$ 1,793	\$ 3,170
Separate account liabilities	\$ 81,976	\$ —	\$ 81,976	\$ —	\$ 81,976

(1) Includes mortgage loans measured at estimated fair value on a nonrecurring basis.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**14. Leases**

The Company, as lessee, has entered into various lease and sublease agreements primarily for office space. The Company has operating leases with remaining lease terms of less than one year to 14 years. The remaining lease terms for the subleases are less than one year to seven years.

***ROU Assets and Lease Liabilities***

ROU assets and lease liabilities for operating leases were:

	<u>December 31, 2023</u>		<u>December 31, 2022</u>	
	(In millions)			
ROU assets	\$	1,061	\$	961
Lease liabilities	\$	1,231	\$	1,147

***Lease Costs***

The components of operating lease costs were as follows:

	<u>Years Ended December 31,</u>					
	<u>2023</u>		<u>2022</u>		<u>2021</u>	
	(In millions)					
Operating lease cost	\$	244	\$	246	\$	271
Variable lease cost	\$	52	\$	45	\$	32
Sublease income	\$	(95)	\$	(103)	\$	(99)
Net lease cost	\$	201	\$	188	\$	204

The Company recognized lease ROU asset impairment charges of \$5 million, \$10 million, and \$29 million for the years ended December 31, 2023, 2022 and 2021, respectively.

***Other Information***

Supplemental other information related to operating leases was as follows:

	<u>December 31, 2023</u>		<u>December 31, 2022</u>	
	(Dollars in millions)			
Cash paid for amounts included in the measurement of lease liability - operating cash flows	\$	253	\$	249
ROU assets obtained in exchange for new lease liabilities	\$	242	\$	58
Weighted-average remaining lease term		8 years		6 years
Weighted-average discount rate		4.4 %		3.5 %

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

14. Leases (continued)

*Maturities of Lease Liabilities*

Maturities of operating lease liabilities were as follows:

	December 31, 2023
	(In millions)
2024	\$ 246
2025	225
2026	203
2027	168
2028	121
Thereafter	526
Total undiscounted cash flows	1,489
Less: interest	258
Present value of lease liability	\$ 1,231

See Notes 11 and 16 for information about the Company's investments in leased real estate and financing lease obligations.

15. Goodwill

Information regarding goodwill by segment, as well as Corporate & Other, was as follows:

	Group Benefits (1)	RIS (1)	Asia (2)	Latin America	EMEA	MetLife Holdings	Corporate & Other	Total
	(In millions)							
Balance at January 1, 2021								
Goodwill	\$ 1,158	\$ 912	\$ 4,763	\$ 1,143	\$ 1,146	\$ 1,567	\$ 103	\$ 10,792
Accumulated impairment	—	—	—	—	—	(680)	—	(680)
Total goodwill, net	1,158	912	4,763	1,143	1,146	887	103	10,112
Effect of foreign currency translation and other	—	—	(211)	(166)	(200)	—	—	(577)
Balance at December 31, 2021								
Goodwill	1,158	912	4,552	977	946	1,567	103	10,215
Accumulated impairment	—	—	—	—	—	(680)	—	(680)
Total goodwill, net	1,158	912	4,552	977	946	887	103	9,535
Acquisitions	—	—	—	—	—	—	40	40
Effect of foreign currency translation and other	—	—	(243)	3	(38)	—	—	(278)
Balance at December 31, 2022								
Goodwill	1,158	912	4,309	980	908	1,567	143	9,977
Accumulated impairment	—	—	—	—	—	(680)	—	(680)
Total goodwill, net	1,158	912	4,309	980	908	887	143	9,297
Acquisitions	—	—	—	—	—	—	30	30
Effect of foreign currency translation and other	—	—	(95)	(4)	8	—	—	(91)
Balance at December 31, 2023								
Goodwill	1,158	912	4,214	976	916	1,567	173	9,916
Accumulated impairment	—	—	—	—	—	(680)	—	(680)
Total goodwill, net	\$ 1,158	\$ 912	\$ 4,214	\$ 976	\$ 916	\$ 887	\$ 173	\$ 9,236

- (1) See Note 2 for information on the reorganization of the Company's segments.
- (2) Includes goodwill of \$4.1 billion, \$4.2 billion and \$4.4 billion from the Company's Japan operations at December 31, 2023, 2022 and 2021, respectively.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

16. Long-term and Short-term Debt

Long-term and short-term debt outstanding was as follows:

	Interest Rates (1)				December 31,					
					2023			2022		
	Range		Maturity	Face Value	Unamortized Discount and Issuance Costs	Carrying Value	Face Value	Unamortized Discount and Issuance Costs	Carrying Value	
(In millions)										
Senior notes	0.50 %	-	6.50%	2024 - 2054	\$ 14,622	\$ (106)	\$ 14,516	\$ 13,671	\$ (83)	\$ 13,588
Surplus notes	7.63 %	-	7.88%	2024 - 2025	507	—	507	507	(1)	506
Other notes	2.03 %	-	8.43%	2024 - 2028	495	(2)	493	500	(3)	497
Financing lease obligations					32	—	32	56	—	56
Total long-term debt					15,656	(108)	15,548	14,734	(87)	14,647
Total short-term debt					119	—	119	175	—	175
Total					\$ 15,775	\$ (108)	\$ 15,667	\$ 14,909	\$ (87)	\$ 14,822

(1) Range of interest rates are for the year ended December 31, 2023.

The aggregate maturities of long-term debt at December 31, 2023 for the next five years and thereafter are \$1.8 billion in 2024, \$1.3 billion in 2025, \$180 million in 2026, \$52 million in 2027, \$348 million in 2028 and \$11.9 billion thereafter.

Financing lease obligations are collateralized and rank highest in priority, followed by unsecured senior notes and other notes, and then subordinated debt which consists of junior subordinated debt securities (see Note 18). Payments of interest and principal on the Company’s surplus notes, which are subordinate to all other obligations of the operating company issuing the notes and are senior to obligations of MetLife, Inc., may be made only with the prior approval of the insurance department of the state of domicile of the issuer of the notes. The Company’s collateral financing arrangement (see Note 17) is supported by surplus notes of a subsidiary and, accordingly, has priority consistent with surplus notes.

Certain of the Company’s debt instruments and committed facilities, as well as its \$3.0 billion unsecured revolving credit facility (the “Credit Facility”), contain various administrative, reporting, legal and financial covenants. The Company believes it was in compliance with all applicable financial covenants at December 31, 2023.

**Senior Notes**

In July 2023, MetLife, Inc. issued \$1.0 billion of senior notes due July 2033 which bear interest at a fixed rate of 5.375%, payable semi-annually. In connection with the issuance, MetLife, Inc. incurred \$6 million of related costs which will be amortized over the term of the senior notes.

In February 2023, MetLife, Inc. redeemed for cash and canceled \$1.0 billion aggregate principal amount of its outstanding 4.368% senior notes due September 2023.

In January 2023, MetLife, Inc. issued \$1.0 billion of senior notes due January 2054 which bear interest at a fixed rate of 5.250%, payable semi-annually. In connection with the issuance, MetLife, Inc. incurred \$11 million of related costs which will be amortized over the term of the senior notes.

In July 2022, MetLife, Inc. issued \$1.0 billion of senior notes due July 2052 which bear interest at a fixed rate of 5.00%, payable semi-annually. In connection with the issuance, MetLife, Inc. incurred \$11 million of related costs which will be amortized over the term of the senior notes.

In July 2021, MetLife, Inc. redeemed for cash and canceled \$500 million aggregate principal amount of its outstanding 3.048% senior notes due December 2022. The Company recorded a premium of \$17 million paid in excess of the debt principal and accrued and unpaid interest to other expenses for the year ended December 31, 2021.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**16. Long-term and Short-term Debt (continued)**

***Short-term Debt***

Short-term debt with maturities of one year or less was as follows:

	December 31,	
	2023	2022
(Dollars in millions)		
Commercial paper	\$ —	\$ 99
Short-term borrowings (1)	119	76
<b>Total short-term debt</b>	<b>\$ 119</b>	<b>\$ 175</b>
Average daily balance	\$ 142	\$ 237
Average days outstanding	65 days	157 days

(1) Includes \$115 million and \$76 million at December 31, 2023 and 2022, respectively, of short-term debt related to repurchase agreements, secured by assets of subsidiaries.

For the years ended December 31, 2023, 2022 and 2021, the weighted average interest rate on short-term debt was 8.63%, 5.23% and 1.41%, respectively.

***Interest Expense***

Interest expense included in other expenses was \$740 million, \$655 million and \$647 million for the years ended December 31, 2023, 2022 and 2021, respectively. Such amounts do not include interest expense on long-term debt related to the collateral financing arrangement or junior subordinated debt securities. See Notes 17 and 18.

***Credit and Committed Facilities***

At December 31, 2023, the Company maintained the Credit Facility, as well as certain committed facilities aggregating \$3.2 billion (the “Committed Facilities”). When drawn upon, these facilities bear interest at varying rates in accordance with the respective agreements.

**Credit Facility**

The Company’s Credit Facility is used for general corporate purposes, to support the borrowers’ commercial paper programs and for the issuance of letters of credit. Total fees associated with the Credit Facility were \$6 million, \$8 million and \$10 million for the years ended December 31, 2023, 2022 and 2021, respectively, and were included in other expenses. Information on the Credit Facility at December 31, 2023 was as follows:

Borrower(s)	Expiration	Maximum Capacity	Letters of Credit Issued	Drawdowns	Unused Commitments
(In millions)					
MetLife, Inc. and MetLife Funding, Inc.	May 2028 (1)	\$ 3,000	\$ 297	\$ —	\$ 2,703

(1) In May 2023, the Credit Facility was amended and restated to, among other things, extend the maturity date. All borrowings under the Credit Facility must be repaid by May 8, 2028, except that letters of credit outstanding on that date may remain outstanding until no later than May 8, 2029.



## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 16. Long-term and Short-term Debt (continued)

***Committed Facilities***

Letters of credit issued under the Committed Facilities are used for collateral for certain of the Company's affiliated reinsurance liabilities. Total fees associated with the Committed Facilities, included in other expenses, were \$9 million, \$9 million and \$12 million for the years ended December 31, 2023, 2022 and 2021, respectively. Information on the Committed Facilities at December 31, 2023 was as follows:

Account Party/Borrower(s)	Expiration	Maximum Capacity	Letters of Credit Issued	Drawdowns	Unused Commitments
(In millions)					
MetLife Reinsurance Company of Vermont and MetLife, Inc.	November 2026 (1), (2)	\$ 350	\$ 350	\$ —	\$ —
MetLife Reinsurance Company of Vermont and MetLife, Inc.	December 2037 (1), (3)	2,896	2,499	—	397
Total		<u>\$ 3,246</u>	<u>\$ 2,849</u>	<u>\$ —</u>	<u>\$ 397</u>

- (1) MetLife, Inc. is a guarantor under the applicable facility.
- (2) The issuance of additional letters of credit is at the discretion of the counterparty.
- (3) Capacity at December 31, 2023 of \$2.9 billion decreases gradually between 2025 and 2037 to \$2.0 billion, and the facility expires in December 2037. Unused commitment of \$397 million is based on maximum capacity. At December 31, 2023, Brighthouse Financial, Inc. and its subsidiaries ("Brighthouse"), a former subsidiary of MetLife, Inc., is a beneficiary of \$2.5 billion of letters of credit issued under this facility and, in consideration, Brighthouse reimburses MetLife, Inc. for a portion of the letter of credit fees.

## 17. Collateral Financing Arrangement

Information related to the collateral financing arrangement associated with the closed block (See Note 10) was as follows at:

	December 31,	
	2023	2022
(In millions)		
Surplus notes outstanding (1)	\$ 637	\$ 716
Receivable from unaffiliated financial institution (1)	\$ 85	\$ 93
Pledged collateral (2)	\$ 10	\$ 43
Assets held in trust (2)	\$ 1,397	\$ 1,369

- (1) At carrying value.
- (2) At estimated fair value.

Interest expense on the collateral financing arrangement was \$44 million, \$22 million and \$11 million for the years ended December 31, 2023, 2022 and 2021, respectively, which is included in other expenses.

In December 2007, MLIC reinsured a portion of its closed block liabilities to MetLife Reinsurance Company of Charleston ("MRC"), a wholly-owned subsidiary of MetLife, Inc. In connection with this transaction, MRC issued, to investors placed by an unaffiliated financial institution, \$2.5 billion in aggregate principal amount of 35-year surplus notes to provide statutory reserve support for the assumed closed block liabilities. Interest on the surplus notes accrued at an annual rate of three-month LIBOR plus 0.55%, payable quarterly. For interest periods that commenced after June 30, 2023, the three-month LIBOR rate was replaced with the CME Term Secured Overnight Financing Rate ("SOFR") published for a three-month tenor plus a spread adjustment of 0.26161%. The ability of MRC to make interest and principal payments on the surplus notes is contingent upon South Carolina regulatory approval.

## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 17. Collateral Financing Arrangement (continued)

Simultaneously with the issuance of the surplus notes, MetLife, Inc. entered into an agreement with the unaffiliated financial institution, under which MetLife, Inc. received interest payable by MRC on the surplus notes in exchange for the payment of three-month LIBOR plus 1.12%, payable quarterly on such amount as adjusted, as described below. For interest periods that commenced after June 30, 2023, the three-month LIBOR rate under the agreement was replaced with compounded SOFR calculated in arrears plus a spread adjustment of 0.26161%. MetLife, Inc. may also be required to pledge collateral or make payments to the unaffiliated financial institution related to any decline in the estimated fair value of the surplus notes. Any such payments are accounted for as a receivable and included in other assets on the Company's consolidated balance sheets and do not reduce the principal amount outstanding of the surplus notes. Such payments, however, reduce the amount of interest payments due from MetLife, Inc. under the agreement. Any payment received from the unaffiliated financial institution reduces the receivable by an amount equal to such payment and also increases the amount of interest payments due from MetLife, Inc. under the agreement. In addition, the unaffiliated financial institution may be required to pledge collateral to MetLife, Inc. related to any increase in the estimated fair value of the surplus notes.

For the years ended December 31, 2023, 2022 and 2021, following regulatory approval, MRC repurchased \$79 million, \$50 million and \$79 million, respectively, in aggregate principal amount of the surplus notes. Payments made by the Company in 2023, 2022 and 2021 associated with the repurchases were exclusive of accrued interest on the surplus notes. In connection with the repurchases for the years ended December 31, 2023, 2022 and 2021, the Company received payments in the aggregate amount of \$8 million, \$7 million and \$10 million, respectively, from the unaffiliated financial institution, which reduced the amount receivable from the unaffiliated financial institution by the same amounts. No other payments related to an increase or decrease in the estimated fair value of the surplus notes were made by MetLife, Inc. or received from the unaffiliated financial institution for the years ended December 31, 2023, 2022 or 2021.

A majority of the proceeds from the offering of the surplus notes was placed in a trust, which is consolidated by the Company, to support MRC's statutory obligations associated with the assumed closed block liabilities. The assets are principally invested in fixed maturity securities AFS and are presented as such within the Company's consolidated balance sheets, with the related income included within net investment income on the Company's consolidated statements of operations.

## 18. Junior Subordinated Debt Securities

*Outstanding Junior Subordinated Debt Securities*

Outstanding junior subordinated debt securities and exchangeable surplus trust securities which are exchangeable for junior subordinated debt securities prior to redemption or repayment, were as follows:

Issuer	Issue Date	Interest Rate (1)	Scheduled Redemption Date	Interest Rate Subsequent to Scheduled Redemption Date (2)	Final Maturity	December 31,					
						2023			2022		
						Face Value	Unamortized Discount and Issuance Costs	Carrying Value	Face Value	Unamortized Discount and Issuance Costs	Carrying Value
(In millions)											
MetLife, Inc.	December 2006	6.400%	December 2036	SOFR + 0.26161% + 2.205%	December 2066	\$ 1,250	\$ (14)	\$ 1,236	\$ 1,250	\$ (15)	\$ 1,235
MetLife Capital Trust IV (3)	December 2007	7.875%	December 2037	SOFR + 0.26161% + 3.960%	December 2067	700	(12)	688	700	(13)	687
MetLife, Inc.	April 2008	9.250%	April 2038	SOFR + 0.26161% + 5.540%	April 2068	750	(8)	742	750	(9)	741
MetLife, Inc.	July 2009	10.750%	August 2039	SOFR + 0.26161% + 7.548%	August 2069	500	(5)	495	500	(5)	495
<b>Total</b>						<b>\$ 3,200</b>	<b>\$ (39)</b>	<b>\$ 3,161</b>	<b>\$ 3,200</b>	<b>\$ (42)</b>	<b>\$ 3,158</b>

- (1) Prior to the scheduled redemption date, interest is payable semiannually in arrears.
- (2) In the event the securities are not redeemed on or before the scheduled redemption date, interest will accrue after such date at an annual rate based on the three-month CME Term SOFR plus 0.26161% and the indicated margin, payable quarterly in arrears.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**18. Junior Subordinated Debt Securities (continued)**

- (3) MetLife Capital Trust IV is a VIE which is consolidated on the financial statements of the Company. The securities issued by this entity are exchangeable surplus trust securities, which are exchangeable for a like amount of MetLife, Inc.’s junior subordinated debt securities on the scheduled redemption date, mandatorily under certain circumstances, and at any time upon MetLife, Inc. exercising its option to redeem the securities.

In connection with each of the securities described above, MetLife, Inc. may redeem or may cause the redemption of the securities (i) in whole or in part, at any time on or after the date five years prior to the scheduled redemption date at their principal amount plus accrued and unpaid interest to, but excluding, the date of redemption, or (ii) in certain circumstances, in whole or in part, prior to the date five years prior to the scheduled redemption date at their principal amount plus accrued and unpaid interest to, but excluding, the date of redemption or, if greater, a make-whole price. MetLife, Inc. also has the right to, and in certain circumstances the requirement to, defer interest payments on the securities for a period up to 10 years. Interest compounds during such periods of deferral. If interest is deferred for more than five consecutive years, MetLife, Inc. is required to use proceeds from the sale of its common stock or warrants on common stock to satisfy this interest payment obligation. In connection with each of the securities described above, MetLife, Inc. entered into a separate replacement capital covenant (“RCC”). As part of each RCC, MetLife, Inc. agreed that it will not repay, redeem, or purchase the securities on or before a date 10 years prior to the final maturity date of each issuance, unless, subject to certain limitations, it has received cash proceeds during a specified period from the sale of specified replacement securities. Each RCC will terminate upon the occurrence of certain events, including an acceleration of the applicable securities due to the occurrence of an event of default. The RCCs are not intended for the benefit of holders of the securities and may not be enforced by them. Rather, each RCC is for the benefit of the holders of a designated series of MetLife, Inc.’s other indebtedness (the “Covered Debt”). Initially, the Covered Debt for each of the securities described above was MetLife, Inc.’s 5.700% senior notes due 2035 (the “5.700% Senior Notes”). As a result of the issuance of MetLife, Inc.’s 10.750% Fixed-to-Floating Rate Junior Subordinated Debentures due 2069 (the “10.750% JSDs”), the 10.750% JSDs became the Covered Debt with respect to, and in accordance with, the terms of the RCC relating to MetLife, Inc.’s 6.40% Fixed-to-Floating Rate Junior Subordinated Debentures due 2066. The 5.700% Senior Notes continue to be the Covered Debt with respect to, and in accordance with, the terms of the RCCs relating to each of MetLife Capital Trust IV’s 7.875% Fixed-to-Floating Rate Exchangeable Surplus Trust Securities, MetLife, Inc.’s 9.250% Fixed-to-Floating Rate Junior Subordinated Debentures and the 10.750% JSDs. MetLife, Inc. also entered into a replacement capital obligation which will commence during the six-month period prior to the scheduled redemption date of each of the securities described above and under which MetLife, Inc. must use reasonable commercial efforts to raise replacement capital to permit repayment of the securities through the issuance of certain qualifying capital securities.

Interest expense on outstanding junior subordinated debt securities was \$261 million for each of the years ended December 31, 2023, 2022 and 2021, which is included in other expenses.

**19. Equity**

***Preferred Stock***

Preferred stock authorized, issued and outstanding was as follows at both December 31, 2023 and 2022:

Series	Shares Authorized	Shares Issued and Outstanding
Series A preferred stock	27,600,000	24,000,000
Series D preferred stock	500,000	500,000
Series E preferred stock	32,200	32,200
Series F preferred stock	40,000	40,000
Series G preferred stock	1,000,000	1,000,000
Series A Junior Participating Preferred Stock	10,000,000	—
Not designated	160,827,800	—
Total	200,000,000	25,572,200

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**19. Equity (continued)**

In May 2021, MetLife, Inc. delivered a notice of redemption to the holders of MetLife, Inc.’s 5.25% Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series C (the “Series C preferred stock”) pursuant to which it would redeem the remaining 500,000 shares of Series C preferred stock at a redemption price of \$1,000 per share. In connection with the redemption, MetLife, Inc. recognized a preferred stock redemption premium of \$6 million (calculated as the difference between the carrying value of the Series C preferred stock and the total amount paid by MetLife, Inc. to the holders of the Series C preferred stock in connection with the redemption), which was recorded as a reduction of retained earnings at June 30, 2021. All outstanding shares of Series C preferred stock were redeemed on the dividend payment date of June 15, 2021 for an aggregate redemption price of \$500 million in cash.

In June 2021, MetLife, Inc. filed a Certificate of Elimination (the “Certificate of Elimination”) of Series C preferred stock with the Secretary of State of the State of Delaware to eliminate all references to the Series C preferred stock in MetLife, Inc.’s Amended and Restated Certificate of Incorporation (the “Certificate of Incorporation”), including the related Certificate of Designations. As a result of the filing of the Certificate of Elimination, MetLife, Inc.’s Certificate of Incorporation was amended to eliminate all references therein to the Series C preferred stock, and the shares that were designated to such series were returned to the status of authorized but unissued shares of preferred stock, par value \$0.01 per share, of MetLife, Inc., without designation as to series. The Certificate of Elimination does not affect the total number of authorized shares of capital stock of MetLife, Inc. or the total number of authorized shares of preferred stock.

The outstanding preferred stock ranks senior to MetLife, Inc.’s common stock with respect to the payment of dividends and distributions upon liquidation, dissolution or winding-up. Holders of the outstanding preferred stock are entitled to receive dividend payments only when, as and if declared by MetLife, Inc.’s Board of Directors or a duly authorized committee thereof. Dividends on the preferred stock are not cumulative or mandatory. Accordingly, if dividends are not declared on the preferred stock of the applicable series for any dividend period, then any accrued dividends for that dividend period will cease to accrue and be payable. If a dividend is not declared before the dividend payment date for any such dividend period, MetLife, Inc. will have no obligation to pay dividends accrued for such dividend period whether or not dividends are declared for any future period. No dividends may be paid or declared on MetLife, Inc.’s common stock (or any other securities ranking junior to the preferred stock) and MetLife, Inc. may not purchase, redeem, or otherwise acquire its common stock (or other such junior stock) unless the full dividends for the latest completed dividend period on all outstanding shares of preferred stock, and any parity stock, have been declared and paid or provided for.

The table below presents the dividend rates of MetLife, Inc.’s preferred stock outstanding at December 31, 2023:

Series	Per Annum Dividend Rate
A	Three-month CME Term SOFR plus a spread adjustment of 0.26161% + 1.000%, with floor of 4.000%, payable quarterly in March, June, September and December
D	5.875% from issuance date to, but excluding, March 15, 2028, payable semiannually in March and September; three-month CME Term SOFR plus a spread adjustment of 0.26161% + 2.959% payable quarterly in March, June, September and December, thereafter
E	5.625% from issuance date, payable quarterly in March, June, September and December
F	4.750% from issuance date, payable quarterly in March, June, September and December
G	3.850% from issuance date, but excluding, September 15, 2025, payable semiannually in March and September commencing in March 2021; five year treasury rate, reset every five years, + 3.576% payable semiannually in March and September, thereafter

In the table above, dividends on each series of preferred stock are payable in arrears for the periods specified, if declared.

MetLife, Inc. is prohibited from declaring dividends on the Floating Rate Non-Cumulative Preferred Stock, Series A (the “Series A preferred stock”) if it fails to meet specified capital adequacy, net income and stockholders’ equity levels. See “— Dividend Restrictions — MetLife, Inc.”

Holders of the preferred stock do not have voting rights except in certain circumstances, including where the dividends have not been paid for a specified number of dividend payment periods whether or not those periods are consecutive. Under such circumstances, the holders of the preferred stock have certain voting rights with respect to members of the Board of Directors of MetLife, Inc.

The preferred stock is not subject to any mandatory redemption, sinking fund, retirement fund, purchase fund or similar provisions.

The Series A preferred stock is redeemable at MetLife, Inc.’s option in whole or in part, at a redemption price of \$25 per share of Series A preferred stock, plus declared and unpaid dividends.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****19. Equity (continued)**

MetLife, Inc. may, at its option, redeem the 5.875% Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series D (the “Series D preferred stock”), (i) in whole but not in part at any time prior to March 15, 2028, within 90 days after the occurrence of a “rating agency event,” at a redemption price equal to \$1,020 per share of Series D preferred stock, plus an amount equal to any dividends per share that have accrued but have not been declared and paid for the then-current dividend period to, but excluding, such redemption date; (ii) in whole but not in part, at any time prior to March 15, 2028, within 90 days after the occurrence of a “regulatory capital event;” and (iii) in whole or in part, at any time or from time to time, on or after March 15, 2028, in the case of (ii) or (iii), at a redemption price equal to \$1,000 per share of Series D preferred stock, plus an amount equal to any dividends per share that have accrued but have not been declared and paid for the then-current dividend period to, but excluding, such redemption date.

MetLife, Inc. may, at its option, redeem the 5.625% Non-Cumulative Preferred Stock, Series E (the “Series E preferred stock”), in whole or in part, at any time or from time to time at a redemption price equal to \$25,000 per share of Series E preferred stock (equivalent to \$25 per depositary share, each Series E depositary share representing a 1/1,000th interest in a share of the Series E preferred stock), plus an amount equal to any dividends per share that have accrued but have not been declared and paid for the then-current dividend period to, but excluding, such redemption date.

MetLife, Inc. may, at its option, redeem the 4.75% Non-Cumulative Preferred Stock, Series F (the “Series F preferred stock”), (i) in whole but not in part at any time prior to March 15, 2025, within 90 days after the occurrence of a “rating agency event,” at a redemption price equal to \$25,500 per share of Series F preferred stock (equivalent to \$25.50 per Series F Depositary Share), plus an amount equal to any accrued and unpaid dividends per share that have accrued but have not been declared and paid for the then-current dividend period to, but excluding, the redemption date, (ii) in whole but not in part, at any time prior to March 15, 2025, within 90 days after the occurrence of a “regulatory capital event;” and (iii) in whole or in part, at any time or from time to time, on or after March 15, 2025, in the case of (ii) or (iii), at a redemption price equal to \$25,000 per share of Series F preferred stock (equivalent to \$25 per Series F Depositary Share), plus an amount equal to any dividends per share that have accrued but have not been declared and paid for the then-current dividend period to, but excluding, such redemption date.

MetLife, Inc. may, at its option, redeem the 3.85% Fixed Rate Reset Non-Cumulative Preferred Stock, Series G (the “Series G preferred stock”), (a) in whole but not in part, at any time, within 90 days after the conclusion of any review or appeal process instituted by the Company following the occurrence of a “rating agency event” or, in the absence of any such review or appeal process, from such “rating agency event,” at a redemption price equal to \$1,020 per share of Series G preferred stock, plus an amount equal to any dividends per share that have accrued but have not been declared and paid for the then-current dividend period to, but excluding, such redemption date and (b)(i) in whole but not in part, at any time, within 90 days after the occurrence of a “regulatory capital event;” or (ii) in whole or in part, on any dividend payment date, on or after September 15, 2025, in each case, at a redemption price equal to \$1,000 per share of Series G preferred stock, plus an amount equal to any dividends per share that have accrued but have not been declared and paid for the then-current dividend period to, but excluding, such redemption date.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**19. Equity (continued)**

A “rating agency event” means that any nationally recognized statistical rating organization that then publishes a rating for MetLife, Inc. amends, clarifies or changes the criteria used to assign equity credit to securities like the Series D preferred stock, Series E preferred stock, Series F preferred stock or Series G preferred stock, which results in the lowering of the equity credit assigned to the security, or shortens the length of time that the security is assigned a particular level of equity credit. A “regulatory capital event” could occur as a result of a change or proposed change in laws, rules, regulations or regulatory standards, including capital adequacy rules (or the interpretation or application thereof) of the United States or any political subdivision thereof, including any capital regulator, including but not limited to the Board of Governors of the Federal Reserve System (the “Federal Reserve Board”), the Federal Insurance Office, the National Association of Insurance Commissioners (“NAIC”) or any state insurance regulator as may then have group-wide oversight of MetLife, Inc.’s regulatory capital, from those laws, rules, regulations or regulatory standards (or the interpretation or application thereof) in effect as of March 22, 2018, in the case of the Series D preferred stock, June 4, 2018, in the case of the Series E preferred stock, January 15, 2020, in the case of the Series F preferred stock, or September 10, 2020, in the case of the Series G preferred stock, that would create a more than insubstantial risk, as determined by MetLife, Inc., that the security would not be treated as “Tier 1 capital” or as capital with attributes similar to those of Tier 1 capital, except that a “regulatory capital event” will not include a change or proposed change (or the interpretation or application thereof) that would result in the adoption of any criteria substantially the same as the criteria in the capital adequacy rules of the Federal Reserve Board applicable to bank holding companies as of March 22, 2018, in the case of the Series D preferred stock, June 4, 2018, in the case of the Series E preferred stock, January 15, 2020, in the case of the Series F preferred stock, or September 10, 2020, in the case of the Series G preferred stock.

The per share and aggregate dividends declared for MetLife, Inc.’s preferred stock were as follows:

Series	Years Ended December 31,					
	2023		2022		2021	
	Per Share	Aggregate	Per Share	Aggregate	Per Share	Aggregate
(In millions, except per share data)						
A	\$ 1.577	\$ 37	\$ 1.033	\$ 24	\$ 1.015	\$ 24
C (1)	\$ —	\$ —	\$ —	\$ —	\$ 19.085	\$ 10
D	\$ 58.750	\$ 29	\$ 58.750	\$ 29	\$ 58.750	\$ 29
E	\$ 1,406.252	\$ 45	\$ 1,406.252	\$ 45	\$ 1,406.252	\$ 45
F	\$ 1,187.500	\$ 48	\$ 1,187.500	\$ 48	\$ 1,187.500	\$ 48
G	\$ 38.500	\$ 39	\$ 38.500	\$ 39	\$ 39.035	\$ 39
Total		\$ 198		\$ 185		\$ 195

- (1) Dividends were paid through the dividend payment date of June 15, 2021, when all outstanding shares of Series C preferred stock were redeemed and eliminated.

**Common Stock**

**Issuances**

For the years ended December 31, 2023, 2022 and 2021, MetLife, Inc. issued 1,992,180 shares, 3,290,998 shares and 4,926,185 shares of its common stock for \$110 million, \$156 million and \$195 million, respectively, in connection with stock option exercises and other stock-based awards. There were no shares of common stock issued from treasury stock for any of the years ended December 31, 2023, 2022 or 2021.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**19. Equity (continued)**

**Repurchase Authorizations**

MetLife, Inc. announced that its Board of Directors authorized common stock repurchases as follows:

<b>Announcement Date</b>	<b>Authorization Amount</b>	<b>Authorization Remaining at December 31, 2023</b>
<b>(In millions)</b>		
May 25, 2023	\$ 1,000	\$ 1,000
May 3, 2023	\$ 3,000	\$ 1,102
May 4, 2022	\$ 3,000	\$ —
August 4, 2021	\$ 3,000	\$ —

Under these authorizations, MetLife, Inc. may purchase its common stock from the MetLife Policyholder Trust, in the open market (including pursuant to the terms of a pre-set trading plan meeting the requirements of Rule 10b5-1 under the Securities Exchange Act of 1934), and in privately negotiated transactions. Common stock repurchases are subject to the discretion of MetLife, Inc.’s Board of Directors and will depend upon the Company’s capital position, liquidity, financial strength and credit ratings, general market conditions, the market price of MetLife, Inc.’s common stock compared to management’s assessment of the stock’s underlying value, applicable regulatory approvals, and other legal and accounting factors.

For the years ended December 31, 2023, 2022 and 2021, MetLife, Inc. repurchased 50,269,483 shares, 49,732,851 shares and 72,296,518 shares under these repurchase authorizations for \$3.1 billion, \$3.3 billion, and \$4.3 billion, respectively. The Inflation Reduction Act, signed into law on August 16, 2022, imposes a one percent excise tax, net of any allowable offsets, on certain corporate stock buybacks made after December 31, 2022. Neither the authorization remaining, nor the amount repurchased, at December 31, 2023 reflects the \$30 million of applicable excise tax payable in connection with such repurchases for the year ended December 31, 2023. The \$30 million of excise tax is reflected in treasury stock as part of the cost basis of the common stock repurchased, and a corresponding liability for the excise tax payable was recorded in other liabilities. At December 31, 2021, \$25 million of the aforementioned 2021 share repurchases were included in other liabilities, and settled in 2022.

**Dividends**

For each of the years ended December 31, 2023, 2022 and 2021, MetLife, Inc. paid dividends on its common stock of \$1.6 billion. The payment of dividends by MetLife, Inc. to its shareholders is subject to restrictions. See “— Dividend Restrictions — MetLife, Inc.”

The funding of the cash dividends and operating expenses of MetLife, Inc. is primarily provided by cash dividends from MetLife, Inc.’s insurance subsidiaries. The statutory capital and surplus, or net assets, of MetLife, Inc.’s insurance subsidiaries are subject to regulatory restrictions except to the extent that dividends are allowed to be paid in a given year without prior regulatory approval. Dividends exceeding these limitations can generally be made subject to regulatory approval. The nature and amount of these dividend restrictions, as well as the statutory capital and surplus of MetLife, Inc.’s U.S. insurance subsidiaries, are disclosed in “— Statutory Equity and Income” and “— Dividend Restrictions — Insurance Operations.” MetLife, Inc.’s principal non-U.S. insurance operations are branches or subsidiaries of American Life Insurance Company (“American Life”), a U.S. insurance subsidiary of the Company.

**Stock-Based Compensation Plans**

**Plans for Employees and Agents**

Under the MetLife, Inc. 2015 Stock and Incentive Compensation Plan (the “2015 Stock Plan”), MetLife, Inc. may grant awards to employees and agents in the form of Stock Options, Stock Appreciation Rights, Performance Shares or Performance Share Units, Restricted Stock or Restricted Stock Units, Cash-Based Awards and Stock-Based Awards (each, as applicable, as defined in the 2015 Stock Plan with reference to shares of MetLife, Inc. common stock (“Shares”)). Awards under the 2015 Stock Plan and its predecessor plan, the MetLife, Inc. 2005 Stock and Incentive Compensation Plan (the “2005 Stock Plan”), were outstanding at December 31, 2023. MetLife, Inc. granted all awards to employees and agents in 2023 under the 2015 Stock Plan.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****19. Equity (continued)**

The aggregate number of Shares available for issuance under the 2015 Stock Plan at December 31, 2023 was 30,627,419.

MetLife recognizes compensation expense related to each award under the 2005 Stock Plan or 2015 Stock Plan in one of two ways:

- For cash-settled awards, MetLife remeasures the compensation expense quarterly.
- For other awards, MetLife recognizes an expense based on the number of awards it expects to vest, which represents the awards granted less expected forfeitures over the life of the award, as estimated at the date of grant. Unless MetLife observes a material deviation from the assumed forfeiture rate during the term in which the awards are expensed, MetLife recognizes any adjustment necessary to reflect differences in actual experience in the period the award becomes payable or exercisable.

Compensation expense related to awards under the 2005 Stock Plan principally relates to the issuance of Stock Options. Under the 2015 Stock Plan, compensation expense principally relates to Stock Options, Unit Options, Performance Shares, Performance Units, Restricted Stock Units and Restricted Units. MetLife, Inc. granted the majority of each year's awards under the 2005 Stock Plan prior to 2015, and under the 2015 Stock Plan in 2015 and later in the first quarter of the year.

Awards that have become payable in Shares but the issuance of which has been deferred ("Deferred Shares"), payable to employees or agents related to awards under all plans equaled 642,768 Shares at December 31, 2023.

MetLife granted cash-settled awards based in whole or in part on the price of Shares or changes in the price of Shares ("Phantom Stock-Based Awards") under the MetLife, Inc. International Unit Option Incentive Plan, the MetLife International Performance Unit Incentive Plan, and the MetLife International Restricted Unit Incentive Plan prior to 2015, and under the 2015 Stock Plan in 2015 and later.

***Plans for Non-Management Directors***

Under the MetLife, Inc. 2015 Non-Management Director Stock Compensation Plan (the "2015 Director Stock Plan"), MetLife, Inc. may grant non-management Directors of MetLife, Inc. awards in the form of nonqualified Stock Options, Stock Appreciation Rights, Restricted Stock or Restricted Stock Units, or Stock-Based Awards (each, as applicable, as defined in the 2015 Director Stock Plan with reference to Shares).

The only awards MetLife, Inc. granted under the 2015 Director Stock Plan and its predecessor plan, the MetLife, Inc. 2005 Non-Management Director Stock Compensation Plan (the "2005 Director Stock Plan"), through December 31, 2023 were Stock-Based Awards that vested immediately. As a result, no awards under the 2005 Director Stock Plan or 2015 Director Stock Plan remained outstanding at December 31, 2023.

The aggregate number of Shares available for issuance under the 2015 Director Stock Plan at December 31, 2023 was 1,419,598.

MetLife recognizes compensation expense related to awards under the 2015 Director Stock Plan based on the number of Shares awarded.

Deferred Shares payable to Directors related to awards under the 2005 Director Stock Plan, 2015 Director Stock Plan, or earlier applicable plans equaled 348,977 Shares at December 31, 2023.



MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

19. Equity (continued)

**Compensation Expense Related to Stock-Based Compensation**

The components of compensation expense related to stock-based compensation includes compensation expense related to Phantom Stock-Based Awards and excludes the insignificant compensation expense related to the 2015 Director Stock Plan. Those components were:

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Stock Options and Unit Options	\$ 7	\$ 7	\$ 9
Performance Shares and Performance Units (1)	98	108	98
Restricted Stock Units and Restricted Units	66	69	66
Total compensation expense	<u>\$ 171</u>	<u>\$ 184</u>	<u>\$ 173</u>
Income tax benefit	<u>\$ 36</u>	<u>\$ 39</u>	<u>\$ 36</u>

- (1) The Company may further adjust the number of Performance Shares and Performance Units it expects to vest, and the related compensation expense, if management changes its estimate of the most likely final performance factor.

The following table presents the total unrecognized compensation expense related to stock-based compensation and the expected weighted average period over which these expenses will be recognized at:

	December 31, 2023	
	Expense	Weighted Average Period
	(In millions)	(Years)
Stock Options	\$ 3	1.77
Performance Shares	\$ 28	1.68
Restricted Stock Units	\$ 36	1.94

**Equity Awards**

**Stock Options**

Stock Options are the contingent right of award holders to purchase Shares at a stated price for a limited time. All Stock Options have an exercise price equal to the closing price of a Share reported on the New York Stock Exchange (“NYSE”) on the date of grant and have a maximum term of 10 years. The majority of Stock Options that MetLife, Inc. has granted have become or will become exercisable at a rate of one-third of each award on each of the first three anniversaries of the grant date. Other Stock Options have become or will become exercisable on the third anniversary of the grant date. Vesting is subject to continued service, except for employees who meet specified age and service criteria and in certain other limited circumstances.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**19. Equity (continued)**

*Stock Option Activity*

A summary of the activity related to Stock Options was as follows:

	Shares Under Option	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (1) (In millions)
Outstanding at January 1, 2023	3,386,041	\$ 49.24	5.58	\$ 78
Granted	405,544	\$ 71.73		
Exercised	(250,757)	\$ 43.54		
Expired (2)	(6,491)	\$ 65.52		
Forfeited (3)	(34,331)	\$ 68.22		
Outstanding at December 31, 2023	<u>3,500,006</u>	<u>\$ 52.04</u>	<u>5.21</u>	<u>\$ 53</u>
Vested and expected to vest at December 31, 2023	<u>3,491,957</u>	<u>\$ 52.00</u>	<u>5.20</u>	<u>\$ 53</u>
Exercisable at December 31, 2023	<u>2,709,467</u>	<u>\$ 47.34</u>	<u>4.26</u>	<u>\$ 51</u>

- (1) The intrinsic value of each Stock Option is the closing price on a particular date less the exercise price of the Stock Option, so long as the difference is greater than zero. The aggregate intrinsic value of all outstanding Stock Options is computed using the closing Share price on December 31, 2023 of \$66.13 and December 31, 2022 of \$72.37, as applicable.
- (2) Expired options were exercisable, but unexercised, as of their expiration date.
- (3) Forfeited awards were either (a) unvested or unexercisable at the end of the awardholder's employment, where the awardholder did not meet the criteria for post-employment award continuation; or (b) held by awardholders the Company terminated from employment for cause as defined in the terms of the awards.

MetLife estimates the fair value of Stock Options on the date of grant using a binomial lattice model. The significant assumptions the Company uses in its binomial lattice model include: expected volatility of the price of Shares; risk-free rate of return; dividend yield on Shares; exercise multiple; and the post-vesting termination rate.

MetLife bases expected volatility on an analysis of historical prices of Shares and call options on Shares traded on the open market. The Company uses a weighted-average of the implied volatility for publicly-traded call options with the longest remaining maturity nearest to the money as of each valuation date and the historical volatility, calculated using monthly closing prices of Shares. The Company chose a monthly measurement interval for historical volatility as this interval reflects the Company's view that employee option exercise decisions are based on longer-term trends in the price of the underlying Shares rather than on daily price movements.

The Company's binomial lattice model incorporates different risk-free rates based on the imputed forward rates for U.S. Treasury Strips for each year over the contractual term of the option. The table below presents the full range of rates that were used for options granted during the respective periods.

The Company determines dividend yield based on historical dividend distributions compared to the price of the underlying Shares as of the valuation date and held constant over the life of the Stock Option.

The Company's binomial lattice model incorporates the term of the Stock Options, expected exercise behavior and a post-vesting termination rate, or the rate at which vested options are exercised or expire prematurely due to termination of employment. From these factors, the model derives an expected life of the Stock Option. The model's exercise behavior is a multiple that reflects the ratio of stock price at the time of exercise over the exercise price of the Stock Option at the time the model expects holders to exercise. The model derives the exercise multiple from actual exercise activity. The model determines the post-vesting termination rate from actual exercise experience and expiration activity under the Incentive Plans.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**19. Equity (continued)**

The following table presents the weighted average assumptions, with the exception of risk-free rate (which is expressed as a range), that the model uses to determine the fair value of unexercised Stock Options:

	Years Ended December 31,		
	2023	2022	2021
Dividend yield	2.79%	2.78%	3.20%
Risk-free rate of return	5.02% - 3.47%	1.17% - 1.97%	0.08% - 2.48%
Expected volatility	25.73%	26.67%	29.72%
Exercise multiple	1.45	1.45	1.44
Post-vesting termination rate	3.47%	3.58%	3.58%
Contractual term (years)	10	10	10
Expected life (years)	6	6	7
Weighted average exercise price of stock options granted	\$71.73	\$68.96	\$57.43
Weighted average fair value of stock options granted	\$17.56	\$15.18	\$12.76

The following table presents a summary of Stock Option exercise activity:

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Total intrinsic value of stock options exercised	\$ 6	\$ 40	\$ 60
Cash received from exercise of stock options	\$ 11	\$ 48	\$ 119
Income tax benefit realized from stock options exercised	\$ 1	\$ 8	\$ 13

Performance Shares

Performance Shares are units that, if they vest, are multiplied by a performance factor to produce a number of final Shares payable. MetLife accounts for Performance Shares as equity awards. MetLife, Inc. does not credit Performance Shares with dividend-equivalents for dividends paid on Shares. Performance Share awards normally vest in their entirety at the end of the three-year performance period. Vesting is subject to continued service, except for employees who meet specified age and service criteria and in certain other limited circumstances.

For awards granted for the 2019 – 2021 and later performance periods in progress through December 31, 2023, the vested Performance Shares will be multiplied by a performance factor of 0% to 175% that the MetLife, Inc. Compensation Committee will determine by (a) the Company’s annual adjusted return on equity performance over the three-year period compared to the Company’s three-year business plan goal; (b) the Company’s total shareholder return over the same three-year period compared to a peer group of companies; and (c) a cap of 100% if the Company’s total shareholder return for the three-year period is zero or less. The Compensation Committee will exclude the impact of a “Significant Event” from the Company’s adjusted return on equity or the business plan goal, to the extent the Committee determines in its informed judgment that the event changed the adjusted return on equity performance factor component. “Significant Events” include accounting changes, business combinations, restructuring, nonrecurring tax events, common share issuance or repurchases, catastrophes, litigation and regulatory settlements, asbestos and environmental events, certain specified classes of non-coupon investments, and other significant nonrecurring, infrequent, or unusual items.

The performance factor for the 2020 - 2022 performance period was 156.3%.

Restricted Stock Units

Restricted Stock Units are units that, if they vest, are payable in an equal number of Shares. MetLife accounts for Restricted Stock Units as equity awards. MetLife, Inc. does not credit Restricted Stock Units with dividend-equivalents for dividends paid on Shares. Accordingly, the estimated fair value of Restricted Stock Units is based upon the closing price of Shares on the date of grant, reduced by the present value of estimated dividends to be paid on that stock.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**19. Equity (continued)**

The majority of Restricted Stock Units normally vest in thirds on or shortly after the first three anniversaries of their grant date. Other Restricted Stock Units normally vest in their entirety on the third or later anniversary of their grant date. Vesting is subject to continued service, except for employees who meet specified age and service criteria and in certain other limited circumstances.

*Performance Share and Restricted Stock Unit Activity*

The following table presents a summary of Performance Share and Restricted Stock Unit activity:

	Performance Shares		Restricted Stock Units	
	Shares	Weighted Average Fair Value (1)	Units	Weighted Average Fair Value (1)
Outstanding at January 1, 2023	3,206,738	\$ 51.26	1,999,964	\$ 53.62
Granted	998,687	\$ 65.68	959,434	\$ 64.85
Forfeited (2)	(116,526)	\$ 59.49	(65,491)	\$ 61.38
Payable (3)	(1,175,401)	\$ 41.90	(1,044,290)	\$ 49.17
Outstanding at December 31, 2023	2,913,498	\$ 59.65	1,849,617	\$ 61.68
Vested and expected to vest at December 31, 2023	2,872,871	\$ 59.58	1,814,816	\$ 61.67

- (1) Values for awards outstanding at January 1, 2023, represent weighted average number of awards multiplied by their fair value per Share at December 31, 2022. Otherwise, all values represent weighted average of number of awards multiplied by the fair value per Share at December 31, 2023. Fair value of Performance Shares and Restricted Stock Units on December 31, 2023 was equal to Grant Date fair value.
- (2) Forfeited awards were either (a) unvested or unexercisable at the end of the awardholder's employment, where the awardholder did not meet the criteria for post-employment award continuation; or (b) held by awardholders the Company terminated from employment for cause as defined in the terms of the awards.
- (3) Includes both Shares paid and Deferred Shares.

Performance Share amounts above represent aggregate awards at target, and do not reflect potential increases or decreases that may result from the performance factor. At December 31, 2023, the performance period for the 2021 - 2023 Performance Share grants was completed, but the performance factor had not yet been determined. Included in the immediately preceding table are 1,048,303 outstanding Performance Shares to which the 2021 - 2023 performance factor will be applied.

***Liability Awards (Phantom Stock-Based Awards)***

Certain MetLife subsidiaries have a liability for Phantom Stock-Based Awards in the form of Unit Options, Performance Units, and/or Restricted Units. These Share-based cash settled awards are recorded as liabilities until MetLife makes payment. The fair value of unsettled or unvested liability awards is re-measured at the end of each reporting period based on the change in fair value of one Share. The liability and corresponding expense are adjusted accordingly until the award is settled.

*Unit Options*

Unit Options are the contingent right of award holders to receive a cash payment equal to the closing price of a Share on the exercise date, less the closing price on the grant date, if the difference is greater than zero, for a limited time. All Unit Options have an exercise price equal to the closing price of a Share reported on the NYSE on the date of grant and have a maximum term of 10 years. The majority of Unit Options have become or will become eligible for exercise at a rate of one-third of each award on each of the first three anniversaries of the grant date. Other Unit Options have become or will become eligible for exercise on the third anniversary of the grant date. Vesting is subject to continued service, except for employees who meet specified age and service criteria and in certain other limited circumstances.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**19. Equity (continued)**

Performance Units

Performance Units are units that, if they vest, are multiplied by a performance factor to produce a number of final Performance Units which are payable in cash equal to the closing price of a Share on a date following the last day of the three-year performance period. Performance Units are accounted for as liability awards. MetLife, Inc. does not credit them with dividend-equivalents for dividends paid on Shares. Accordingly, the estimated fair value of Performance Units is based upon the closing price of a Share on the date of grant, reduced by the present value of estimated dividends to be paid on that stock during the performance period. MetLife determines each performance period’s performance factor in the same way it does for the same performance period’s Performance Shares.

See “— Equity Awards — Performance Shares” for a discussion of the Performance Shares vesting period and performance factor calculation, which are also used for Performance Units.

Restricted Units

Restricted Units are units that, if they vest, are payable in cash equal to the closing price of a Share on the last day of the restriction period. The majority of Restricted Units normally vest in thirds on or shortly after the first three anniversaries of their grant date. Other Restricted Units normally vest in their entirety on the third or later anniversary of their grant date. Vesting is subject to continued service, except for employees who meet specified age and service criteria and in certain other limited circumstances. Restricted Units are accounted for as liability awards. MetLife, Inc. does not credit Restricted Units with dividend-equivalents for dividends paid on Shares. Accordingly, the estimated fair value of Restricted Units is based upon the closing price of a Share on the date of grant, reduced by the present value of estimated dividends to be paid on that stock during the performance period.

Liability Award Activity

The following table presents a summary of Liability Awards activity:

	<b>Unit Options</b>	<b>Performance Units</b>	<b>Restricted Units</b>
Outstanding at January 1, 2023	54,731	391,920	441,555
Granted	12,847	118,426	195,192
Exercised	(22,066)	—	—
Expired (1)	(6,360)	—	—
Forfeited (2)	—	(15,901)	(22,728)
Paid	—	(154,904)	(224,528)
Outstanding at December 31, 2023	<u>39,152</u>	<u>339,541</u>	<u>389,491</u>
Vested and expected to vest at December 31, 2023	<u>38,667</u>	<u>331,974</u>	<u>381,156</u>

- (1) Expired options were exercisable, but unexercised, as of their expiration date.
- (2) Forfeited awards were either (a) unvested or unexercisable at the end of the awardholder’s employment, where the awardholder did not meet the criteria for post-employment award continuation; or (b) held by awardholders the Company terminated from employment for cause as defined in the terms of the awards.

Performance Units amounts above represent aggregate awards at target, and do not reflect potential increases or decreases that may result from the performance factor. At December 31, 2023, the performance period for the 2021 - 2023 Performance Unit grants was completed, but the performance factor had not yet been determined. Included in the immediately preceding table are 118,848 outstanding Performance Units to which the 2021 - 2023 performance factor will be applied.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****19. Equity (continued)*****Statutory Equity and Income***

The states of domicile of MetLife, Inc.'s U.S. insurance subsidiaries each impose risk-based capital ("RBC") requirements that were developed by the NAIC. American Life does not write business in Delaware or any other U.S. state and, as such, is exempt from RBC requirements by Delaware law. Regulatory compliance is determined by a ratio of a company's total adjusted capital, calculated in the manner prescribed by the NAIC ("TAC"), to its authorized control level RBC, calculated in the manner prescribed by the NAIC ("ACL RBC"), based on the statutory-based financial statements. Companies below specific trigger levels or ratios are classified by their respective levels, each of which requires specified corrective action. The minimum level of TAC before corrective action commences is twice ACL RBC ("Company Action Level RBC"). While not required by or filed with insurance regulators, the Company also calculates an internally defined combined RBC ratio ("Statement-Based Combined RBC Ratio"), which is determined by dividing the sum of TAC for MetLife, Inc.'s principal U.S. insurance subsidiaries, excluding American Life, by the sum of Company Action Level RBC for such subsidiaries. The Company's Statement-Based Combined RBC Ratio was in excess of 380% and in excess of 340% at December 31, 2023 and 2022, respectively. In addition, all non-exempted U.S. insurance subsidiaries individually exceeded Company Action Level RBC for all periods presented.

MetLife, Inc.'s foreign insurance operations are regulated by applicable authorities of the jurisdictions in which each entity operates and are subject to minimum capital and solvency requirements in those jurisdictions before corrective action commences. At both December 31, 2023 and 2022, the adjusted capital of American Life's insurance subsidiary in Japan, the Company's largest foreign insurance operation, was in excess of three times the 200% solvency margin ratio that would require corrective action. Excluding Japan, the aggregate required and actual capital and surplus of the Company's other foreign insurance operations was \$3.1 billion and \$7.4 billion, respectively, as of the date of the most recent fiscal year-end capital adequacy calculation for each jurisdiction, exceeding the respective minimum capital and solvency requirements.

MetLife, Inc.'s insurance subsidiaries prepare statutory-basis financial statements in accordance with statutory accounting practices prescribed or permitted by the insurance department of the state of domicile or applicable foreign jurisdiction. The NAIC has adopted the Codification of Statutory Accounting Principles ("Statutory Codification"). Statutory Codification is intended to standardize regulatory accounting and reporting to state insurance departments. However, statutory accounting principles continue to be established by individual state laws and permitted practices. Modifications by the various state insurance departments may impact the effect of Statutory Codification on the statutory capital and surplus of MetLife, Inc.'s U.S. insurance subsidiaries.

Statutory accounting principles differ from GAAP primarily by charging policy acquisition costs to expense as incurred, establishing FPBs using different actuarial assumptions, reporting surplus notes as surplus instead of debt and valuing securities on a different basis.

In addition, certain assets are not admitted under statutory accounting principles and are charged directly to surplus. The most significant assets not admitted by the Company are net deferred income tax assets resulting from temporary differences between statutory accounting principles basis and tax basis not expected to reverse and become recoverable within three years. Further, statutory accounting principles do not give recognition to purchase accounting adjustments. MetLife, Inc.'s U.S. insurance subsidiaries have no material state prescribed accounting practices, except as described below.

New York has adopted certain prescribed accounting practices, primarily consisting of the continuous Commissioners' Annuity Reserve Valuation Method, which impacts deferred annuities, and the New York Special Considerations Letter, which mandates certain assumptions in asset adequacy testing. The collective impact of these prescribed accounting practices decreased the statutory capital and surplus of MLIC by \$1.4 billion and \$1.3 billion at December 31, 2023 and 2022, respectively, compared to what capital and surplus would have been had it been measured under NAIC guidance.

American Life calculates its policyholder reserves on insurance written in each foreign jurisdiction in accordance with the reserve standards required by such jurisdiction. Additionally, American Life's insurance subsidiaries are valued based on each respective subsidiary's underlying local statutory equity, adjusted in a manner consistent with the reporting prescribed for its branch operations. The prescribed practice exempts American Life from calculating and disclosing the impact to its statutory capital and surplus.

The tables below present amounts for MetLife, Inc.'s U.S. insurance subsidiaries, prepared in accordance with statutory accounting practices prescribed or permitted by the insurance department of the state of domicile.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**19. Equity (continued)**

Statutory net income (loss) was as follows:

Company	State of Domicile	Years Ended December 31,		
		2023	2022	2021
(In millions)				
Metropolitan Life Insurance Company	New York	\$ 3,407	\$ 2,737	\$ 3,513
American Life Insurance Company	Delaware	\$ 767	\$ 824	\$ 48
Metropolitan Tower Life Insurance Company	Nebraska	\$ 411	\$ 232	\$ 185
Other	Various	\$ 53	\$ 91	\$ 76

Statutory capital and surplus was as follows at:

Company	December 31,	
	2023	2022
(In millions)		
Metropolitan Life Insurance Company	\$ 11,593	\$ 10,869
American Life Insurance Company	\$ 8,272	\$ 5,040
Metropolitan Tower Life Insurance Company	\$ 2,461	\$ 1,896
Other	\$ 358	\$ 209

The Company’s U.S. captive life reinsurance subsidiaries, which reinsure risks including the closed block, level premium term life and ULSG assumed from other MetLife subsidiaries, have no state prescribed accounting practices, except for MetLife Reinsurance Company of Vermont (“MRV”).

MRV, with the explicit permission of the Commissioner of Insurance of the State of Vermont, has included, as admitted assets, the value of letters of credit serving as collateral for reinsurance credit taken by various affiliated cedants, in connection with reinsurance agreements entered into between MRV and the various affiliated cedants, which resulted in higher statutory capital and surplus of \$2.0 billion at both December 31, 2023 and 2022. MRV’s RBC would have triggered a regulatory event without the use of the state prescribed practice.

The combined statutory net income (loss) of MetLife, Inc.’s U.S. captive life reinsurance subsidiaries was \$63 million, \$44 million and \$41 million for the years ended December 2023, 2022 and 2021, respectively, and the combined statutory capital and surplus, reflecting the aforementioned prescribed accounting practices, was \$723 million and \$726 million at December 31, 2023 and 2022, respectively.

***Dividend Restrictions***

***Insurance Operations***

The table below sets forth the dividends permitted to be paid by MetLife, Inc.’s primary insurance subsidiaries without insurance regulatory approval and the actual dividends paid:

Company	2024	2023	2022
	Permitted Without Approval (1)	Paid (2)	Paid (2)
(In millions)			
Metropolitan Life Insurance Company	\$ 3,476	\$ 2,471	\$ 3,539
American Life Insurance Company	\$ 945	\$ 1,887	\$ 1,289
Metropolitan Tower Life Insurance Company	\$ 373	\$ 189	\$ —

(1) Reflects dividend amounts that may be paid by the end of 2024 without prior regulatory approval.

(2) Reflects all amounts paid, including those where regulatory approval was obtained as required.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****19. Equity (continued)**

Under the New York State Insurance Law, MLIC is permitted, without prior insurance regulatory clearance, to pay stockholder dividends to MetLife, Inc. in any calendar year based on either of two standards. Under one standard, MLIC is permitted, without prior insurance regulatory clearance, to pay dividends out of earned surplus (defined as positive unassigned funds (surplus), excluding 85% of the change in net unrealized capital gains or losses (less capital gains tax), for the immediately preceding calendar year), in an amount up to the greater of: (i) 10% of its surplus to policyholders as of the end of the immediately preceding calendar year, or (ii) its statutory net gain from operations for the immediately preceding calendar year (excluding realized capital gains), not to exceed 30% of surplus to policyholders as of the end of the immediately preceding calendar year. In addition, under this standard, MLIC may not, without prior insurance regulatory clearance, pay any dividends in any calendar year immediately following a calendar year for which its net gain from operations, excluding realized capital gains, was negative. Under the second standard, if dividends are paid out of other than earned surplus, MLIC may, without prior insurance regulatory clearance, pay an amount up to the lesser of: (i) 10% of its surplus to policyholders as of the end of the immediately preceding calendar year, or (ii) its statutory net gain from operations for the immediately preceding calendar year (excluding realized capital gains). In addition, MLIC will be permitted to pay a dividend to MetLife, Inc. in excess of the amounts allowed under both standards only if it files notice of its intention to declare such a dividend and the amount thereof with the New York Superintendent of Financial Services (the “Superintendent”) and the Superintendent either approves the distribution of the dividend or does not disapprove the dividend within 30 days of its filing. Under the New York State Insurance Law, the Superintendent has broad discretion in determining whether the financial condition of a stock life insurance company would support the payment of such dividends to its stockholder.

Under the Delaware Insurance Code, American Life is permitted, without prior insurance regulatory clearance, to pay a stockholder dividend to MetLife, Inc. as long as the amount of the dividend, when aggregated with all other dividends in the preceding 12 months, does not exceed the greater of: (i) 10% of its surplus to policyholders as of the end of the immediately preceding calendar year, or (ii) its statutory net gain from operations for the immediately preceding calendar year (excluding realized capital gains), not including pro rata distributions of American Life’s own securities. American Life will be permitted to pay a dividend to MetLife, Inc. in excess of the greater of such two amounts only if it files notice of the declaration of such a dividend and the amount thereof with the Delaware Commissioner of Insurance (the “Delaware Commissioner”) and the Delaware Commissioner either approves the distribution of the dividend or does not disapprove the dividend within 30 days of its filing. In addition, any dividend that exceeds earned surplus (defined as “unassigned funds (surplus)”) as of the immediately preceding calendar year requires insurance regulatory approval. Under the Delaware Insurance Code, the Delaware Commissioner has broad discretion in determining whether the financial condition of a stock life insurance company would support the payment of such dividends to its stockholders.

Under the Nebraska Insurance Code, Metropolitan Tower Life Insurance Company (“MTL”) is permitted, without prior insurance regulatory clearance, to pay a stockholder dividend to MetLife, Inc. as long as the amount of the dividend, when aggregated with all other dividends in the preceding 12 months, does not exceed the greater of: (i) 10% of its surplus to policyholders as of the end of the immediately preceding calendar year, or (ii) its statutory net gain from operations for the immediately preceding calendar year (excluding realized capital gains), not including pro rata distributions of MTL’s own securities. MTL will be permitted to pay a dividend to MetLife, Inc. in excess of the greater of such two amounts only if it files notice of the declaration of such a dividend and the amount thereof with the Director of the Nebraska Department of Insurance (the “Nebraska Director”) and the Nebraska Director either approves the distribution of the dividend or does not disapprove the dividend within 30 days of its filing. In addition, any dividend that exceeds earned surplus (defined as “unassigned funds (surplus)” excluding unrealized capital gains) as of the immediately preceding calendar year requires insurance regulatory approval. Under the Nebraska Insurance Code, the Nebraska Director has broad discretion in determining whether the financial condition of a stock life insurance company would support the payment of such dividends to its stockholders.



**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****19. Equity (continued)*****MetLife, Inc.***

The declaration and payment of dividends are subject to the discretion of MetLife, Inc.'s Board of Directors and will depend on its financial condition, results of operations, cash requirements, future prospects, regulatory restrictions on the payment of dividends by MetLife, Inc.'s insurance subsidiaries and other factors deemed relevant by the Board of Directors. In addition, the payment of dividends on MetLife, Inc.'s common stock, and MetLife, Inc.'s ability to repurchase its common stock, may be subject to restrictions described below arising under the terms of MetLife, Inc.'s Series A preferred stock and its junior subordinated debentures in situations where MetLife, Inc. may be experiencing financial stress, as described below. For purposes of this discussion, "junior subordinated debentures" are deemed to include MetLife, Inc.'s Fixed-to-Floating Rate Exchangeable Surplus Trust Securities, as discussed in Note 18.

***"Dividend Stopper" Provisions in the Preferred Stock and Junior Subordinated Debentures***

If MetLife, Inc. has not paid the full dividends on its preferred stock for the latest completed dividend period, MetLife, Inc. may not repurchase or pay dividends on instruments junior to those instruments, including its common stock, during a dividend period under so-called "dividend stopper" provisions. Further, MetLife, Inc.'s Series A preferred stock and its junior subordinated debentures contain provisions that would suspend the payment of preferred stock dividends and interest on junior subordinated debentures if MetLife, Inc. fails to meet certain RBC ratio, net income and stockholders' equity tests at specified times, except to the extent of the net proceeds from the issuance of certain securities during specified periods. If Series A preferred stock dividends or interest on junior subordinated debentures are not paid, certain provisions in those instruments (including under "dividend stopper" provisions) may restrict MetLife, Inc. from repurchasing its common or preferred stock or paying dividends on its common or preferred stock and interest on its junior subordinated debentures.

The junior subordinated debentures further provide that MetLife, Inc. may, at its option and provided that certain conditions are met, defer payment of interest without giving rise to an event of default for periods of up to 10 years. In that case, after five years MetLife, Inc. would be obligated to use commercially reasonable efforts to sell equity securities to raise proceeds to pay the interest. MetLife, Inc. would not be subject to limitations on the number of deferral periods that MetLife, Inc. could begin, so long as all accrued and unpaid interest is paid with respect to prior deferral periods. If MetLife, Inc. were to defer payments of interest, the "dividend stopper" provisions in the junior subordinated debentures would thus prevent MetLife, Inc. from repurchasing or paying dividends on its common stock or other capital stock (including the preferred stock) during the period of deferral, subject to exceptions.

MetLife, Inc. is a party to certain RCCs which limit its ability to eliminate these restrictions through the repayment, redemption or purchase of junior subordinated debentures by requiring MetLife, Inc., with some limitations, to receive cash proceeds during a specified period from the sale of specified replacement securities prior to any repayment, redemption or purchase. See Note 18 for a description of such covenants.

## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 19. Equity (continued)

*Accumulated Other Comprehensive Income (Loss)*

Information regarding changes in the balances of each component of AOCI attributable to MetLife, Inc. was as follows:

	Unrealized Investment Gains (Losses), Net of Related Offsets (1)	Deferred Gains (Losses) on Derivatives	Future Policy Benefits Discount Rate Remeasurement Gains (Losses)	Market Risk Benefits Instrument- Specific Credit Risk Remeasurement Gains(Losses)	Foreign Currency Translation Adjustments	Defined Benefit Plans Adjustment	Total
(In millions)							
Balance at December 31, 2020	\$ 22,217	\$ 1,513	\$ —	\$ —	\$ (3,795)	\$ (1,863)	\$ 18,072
Cumulative effects of changes in accounting principles, net of income tax	8,503	—	(26,330)	76	(6)	—	(17,757)
Balance at January 1, 2021	30,720	1,513	(26,330)	76	(3,801)	(1,863)	315
OCI before reclassifications	(12,498)	(113)	10,102	257	(1,527)	237	(3,542)
Deferred income tax benefit (expense)	2,961	18	(2,331)	(54)	(54)	(46)	494
AOCI before reclassifications, net of income tax	21,183	1,418	(18,559)	279	(5,382)	(1,672)	(2,733)
Amounts reclassified from AOCI	(125)	250	—	—	—	91	216
Deferred income tax benefit (expense)	29	(39)	—	—	—	(17)	(27)
Amounts reclassified from AOCI, net of income tax	(96)	211	—	—	—	74	189
Sale of subsidiaries, net of income tax (2)	(168)	—	—	—	261	—	93
Balance at December 31, 2021	20,919	1,629	(18,559)	279	(5,121)	(1,598)	(2,451)
OCI before reclassifications	(58,093)	(583)	31,755	(219)	(1,625)	188	(28,577)
Deferred income tax benefit (expense)	13,298	89	(7,116)	47	(18)	(39)	6,261
AOCI before reclassifications, net of income tax	(23,876)	1,135	6,080	107	(6,764)	(1,449)	(24,767)
Amounts reclassified from AOCI	1,607	498	—	—	—	93	2,198
Deferred income tax benefit (expense)	(368)	(76)	—	—	—	(19)	(463)
Amounts reclassified from AOCI, net of income tax	1,239	422	—	—	—	74	1,735
Sale of subsidiaries, net of income tax (2)	(9)	—	35	—	387	(2)	411
Balance at December 31, 2022	(22,646)	1,557	6,115	107	(6,377)	(1,377)	(22,621)
OCI before reclassifications	7,820	(1,106)	(4,361)	(102)	296	(207)	2,340
Deferred income tax benefit (expense)	(1,666)	267	904	22	(77)	45	(505)
AOCI before reclassifications, net of income tax	(16,492)	718	2,658	27	(6,158)	(1,539)	(20,786)
Amounts reclassified from AOCI	2,523	(705)	—	—	—	119	1,937
Deferred income tax benefit (expense)	(537)	170	—	—	—	(26)	(393)
Amounts reclassified from AOCI, net of income tax	1,986	(535)	—	—	—	93	1,544
Balance at December 31, 2023	\$ (14,506)	\$ 183	\$ 2,658	\$ 27	\$ (6,158)	\$ (1,446)	\$ (19,242)

- (1) Primarily unrealized gains (losses) on fixed maturity securities.
- (2) See Note 3 for information on the Company's business dispositions.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**19. Equity (continued)**

Information regarding amounts reclassified out of each component of AOCI was as follows:

AOCI Components	Years Ended December 31,			Consolidated Statements of Operations Locations
	2023	2022	2021	
	(In millions)			
Net unrealized investment gains (losses):				
Net unrealized investment gains (losses)	\$ (2,620)	\$ (1,802)	\$ 72	Net investment gains (losses)
Net unrealized investment gains (losses)	8	7	(16)	Net investment income
Net unrealized investment gains (losses)	89	188	69	Net derivative gains (losses)
Net unrealized investment gains (losses), before income tax	(2,523)	(1,607)	125	
Income tax (expense) benefit	537	368	(29)	
Net unrealized investment gains (losses), net of income tax	(1,986)	(1,239)	96	
Deferred gains (losses) on derivatives — cash flow hedges:				
Interest rate derivatives	50	59	56	Net investment income
Interest rate derivatives	90	41	84	Net investment gains (losses)
Interest rate derivatives	—	4	3	Other expenses
Foreign currency exchange rate derivatives	4	6	8	Net investment income
Foreign currency exchange rate derivatives	558	(609)	(403)	Net investment gains (losses)
Foreign currency exchange rate derivatives	2	1	2	Other expenses
Credit derivatives	1	—	—	Net investment gains (losses)
Gains (losses) on cash flow hedges, before income tax	705	(498)	(250)	
Income tax (expense) benefit	(170)	76	39	
Gains (losses) on cash flow hedges, net of income tax	535	(422)	(211)	
Defined benefit plans adjustment: (1)				
Amortization of net actuarial gains (losses)	(130)	(104)	(120)	
Amortization of prior service (costs) credit	11	11	29	
Amortization of defined benefit plan items, before income tax	(119)	(93)	(91)	
Income tax (expense) benefit	26	19	17	
Amortization of defined benefit plan items, net of income tax	(93)	(74)	(74)	
Total reclassifications, net of income tax	\$ (1,544)	\$ (1,735)	\$ (189)	

(1) These AOCI components are included in the computation of net periodic benefit costs. See Note 21.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

**20. Other Revenues and Other Expenses**

***Other Revenues***

Information on other revenues, which primarily includes fees related to service contracts from customers, was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Vision fee for service arrangements	\$ 598	\$ 566	\$ 546
Prepaid legal plans	516	471	432
Fee-based investment management	408	396	363
Administrative services-only contracts	259	238	231
Recordkeeping and administrative services (1)	150	168	213
Other revenue from service contracts from customers	298	271	289
Total revenues from service contracts from customers	2,229	2,110	2,074
Other	297	520	545
Total other revenues	\$ 2,526	\$ 2,630	\$ 2,619

(1) Related to products and businesses no longer actively marketed by the Company.

Receivables related to revenues from service contracts from customers were \$243 million and \$226 million as of December 31, 2023 and 2022, respectively.

***Other Expenses***

Information on other expenses was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Employee-related costs (1)	\$ 3,626	\$ 3,520	\$ 3,515
Third party staffing costs	1,477	1,573	1,423
General and administrative expenses	828	669	670
Pension, postretirement and postemployment benefit costs	246	98	147
Premium taxes, other taxes, and licenses & fees	660	608	629
Commissions and other variable expenses	5,819	5,265	5,463
Capitalization of DAC	(2,917)	(2,614)	(2,751)
Amortization of DAC and VOBA	1,952	1,831	2,037
Amortization of negative VOBA	(26)	(29)	(35)
Interest expense on debt	1,045	938	920
Total other expenses	\$ 12,710	\$ 11,859	\$ 12,018

(1) Includes (\$140) million, \$93 million and (\$144) million for the years ended December 31, 2023, 2022 and 2021, respectively, for the net change in cash surrender value of investments in certain life insurance policies, net of premiums paid.

***Capitalization of DAC and Amortization of DAC and VOBA***

See Note 8 for additional information on DAC and VOBA including impacts of capitalization and amortization. See also Note 10 for a description of the DAC amortization impact associated with the closed block.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**20. Other Revenues and Other Expenses (continued)**

**Expenses related to Debt**

See Notes 16, 17, and 18 for attribution of interest expense by debt issuance and other expenses related to debt transactions.

**21. Employee Benefit Plans**

***Pension and Other Postretirement Benefit Plans***

Certain subsidiaries of MetLife, Inc. sponsor a U.S. qualified and various U.S. and non-U.S. nonqualified defined benefit pension plans covering employees who meet specified eligibility requirements. U.S. pension benefits are provided utilizing either a traditional formula or cash balance formula. The traditional formula provides benefits that are primarily based upon years of credited service and final average earnings. The cash balance formula utilizes hypothetical or notional accounts which credit participants with benefits equal to a percentage of eligible pay, as well as interest credits, determined annually based upon the annual rate of interest on 30-year U.S. Treasury securities, for each account balance. In September 2018, the U.S. qualified and nonqualified defined benefit pension plans were amended, effective January 1, 2023, to provide benefits accruals for all active participants under the cash balance formula and to cease future accruals under the traditional formula. The U.S. nonqualified pension plans provide supplemental benefits in excess of limits applicable to a qualified plan. The non-U.S. pension plans generally provide benefits based upon either years of credited service and earnings preceding retirement or points earned on job grades and other factors in years of service.

These subsidiaries also provide certain postemployment benefits and certain postretirement medical and life insurance benefits for U.S. and non-U.S. retired employees. U.S. employees of these subsidiaries who were hired prior to 2003 (or, in certain cases, rehired during or after 2003) and meet age and service criteria while working for one of the subsidiaries may become eligible for these other postretirement benefits, at various levels, in accordance with the applicable plans. Virtually all retirees, or their beneficiaries, contribute a portion of the total costs of postretirement medical benefits. U.S. employees hired after 2003 are not eligible for any employer subsidy for postretirement medical benefits. In September 2018, the U.S. postretirement medical and life insurance benefit plans were amended, effective January 1, 2023, to discontinue the accrual of the employer subsidy credits for eligible employees.

The benefit obligations, funded status and net periodic benefit costs related to these pension and other postretirement benefits were comprised of the following:

	December 31, 2023						December 31, 2022					
	Pension Benefits			Other Postretirement Benefits			Pension Benefits			Other Postretirement Benefits		
	U.S. Plans	Non-U.S. Plans	Total	U.S. Plans	Non-U.S. Plans	Total	U.S. Plans	Non-U.S. Plans	Total	U.S. Plans	Non-U.S. Plans	Total
	(In millions)											
Benefit obligations	\$ 8,649	\$ 849	\$ 9,498	\$ 723	\$ 42	\$ 765	\$ 8,425	\$ 873	\$ 9,298	\$ 758	\$ 36	\$ 794
Estimated fair value of plan assets	7,786	484	8,270	1,307	27	1,334	7,831	463	8,294	1,277	26	1,303
Over (under) funded status	<u>\$ (863)</u>	<u>\$ (365)</u>	<u>\$ (1,228)</u>	<u>\$ 584</u>	<u>\$ (15)</u>	<u>\$ 569</u>	<u>\$ (594)</u>	<u>\$ (410)</u>	<u>\$ (1,004)</u>	<u>\$ 519</u>	<u>\$ (10)</u>	<u>\$ 509</u>
Net periodic benefit costs	<u>\$ 227</u>	<u>\$ 64</u>	<u>\$ 291</u>	<u>\$ (41)</u>	<u>\$ 3</u>	<u>\$ (38)</u>	<u>\$ 49</u>	<u>\$ 73</u>	<u>\$ 122</u>	<u>\$ (43)</u>	<u>\$ 1</u>	<u>\$ (42)</u>

## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 21. Employee Benefit Plans (continued)

*Obligations and Funded Status*

	December 31,			
	2023		2022	
	Pension Benefits (1)	Other Postretirement Benefits	Pension Benefits (1)	Other Postretirement Benefits
	(In millions)			
Change in benefit obligations:				
Benefit obligations at January 1,	\$ 9,298	\$ 794	\$ 12,182	\$ 1,138
Service costs	143	3	187	4
Interest costs	474	43	328	34
Plan participants' contributions	—	30	—	32
Plan amendments	—	—	8	—
Net actuarial (gains) losses (2)	299	(23)	(2,609)	(289)
Acquisition, divestitures, settlements and curtailments	(35)	—	(45)	—
Benefits paid	(636)	(86)	(630)	(125)
Effect of foreign currency translation	(45)	4	(123)	—
Benefit obligations at December 31,	<u>9,498</u>	<u>765</u>	<u>9,298</u>	<u>794</u>
Change in plan assets:				
Estimated fair value of plan assets at January 1,	8,294	1,303	10,971	1,443
Actual return on plan assets	529	72	(2,095)	(43)
Acquisition, divestitures and settlements	(35)	—	(38)	—
Plan participants' contributions	—	30	—	32
Employer contributions	140	13	152	(3)
Benefits paid	(636)	(86)	(630)	(125)
Effect of foreign currency translation	(22)	2	(66)	(1)
Estimated fair value of plan assets at December 31,	<u>8,270</u>	<u>1,334</u>	<u>8,294</u>	<u>1,303</u>
Over (under) funded status at December 31,	<u>\$ (1,228)</u>	<u>\$ 569</u>	<u>\$ (1,004)</u>	<u>\$ 509</u>
Amounts recognized on the consolidated balance sheets:				
Other assets	\$ 229	\$ 886	\$ 428	\$ 796
Other liabilities	(1,457)	(317)	(1,432)	(287)
Net amount recognized	<u>\$ (1,228)</u>	<u>\$ 569</u>	<u>\$ (1,004)</u>	<u>\$ 509</u>
AOCI:				
Net actuarial (gains) losses	\$ 2,360	\$ (509)	\$ 2,277	\$ (498)
Prior service costs (credit)	(25)	—	(36)	—
AOCI, before income tax	<u>\$ 2,335</u>	<u>\$ (509)</u>	<u>\$ 2,241</u>	<u>\$ (498)</u>
Accumulated benefit obligation	<u>\$ 9,377</u>	N/A	<u>\$ 9,185</u>	N/A

- (1) Includes nonqualified unfunded plans, for which the aggregate PBO was \$1.0 billion at both December 31, 2023 and 2022.
- (2) For the year ended December 31, 2023, significant sources of actuarial (gains) losses for pension and other postretirement benefits include the impact of changes to the financial assumptions of \$256 million and \$8 million, respectively, demographic assumptions of (\$54) million and (\$8) million, respectively, and plan experience of \$97 million and (\$23) million, respectively. For the year ended December 31, 2022, significant sources of actuarial (gains) losses for pension and other postretirement benefits include the impact of changes to the financial assumptions, primarily related to an increase in the discount rate, of (\$2.6) billion and (\$276) million, respectively, and plan experience of \$14 million and (\$13) million, respectively.

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

21. Employee Benefit Plans (continued)

Information regarding pension plans and other postretirement benefit plans with PBOs and/or accumulated benefit obligations (“ABO”) or APBO in excess of plan assets was as follows at:

	December 31,							
	2023		2022		2023		2022	
	PBO Exceeds Estimated Fair Value of Plan Assets		ABO Exceeds Estimated Fair Value of Plan Assets		APBO Exceeds Estimated Fair Value of Plan Assets			
	(In millions)							
Projected benefit obligations	\$ 1,474	\$ 1,444	\$ 1,459	\$ 1,434	N/A	N/A		
Accumulated benefit obligations	\$ 1,411	\$ 1,384	\$ 1,411	\$ 1,384	N/A	N/A		
Accumulated postretirement benefit obligations	N/A	N/A	N/A	N/A	\$ 580	\$ 562		
Estimated fair value of plan assets	\$ 15	\$ 10	\$ 2	\$ —	\$ 266	\$ 276		

***Net Periodic Benefit Costs***

The components of net periodic benefit costs and other changes in plan assets and benefit obligations recognized in OCI were as follows:

	Years Ended December 31,					
	2023		2022		2021	
	Pension Benefits	Other Postretirement Benefits	Pension Benefits	Other Postretirement Benefits	Pension Benefits	Other Postretirement Benefits
	(In millions)					
Net periodic benefit costs:						
Service costs	\$ 143	\$ 3	\$ 187	\$ 4	\$ 215	\$ 4
Interest costs	474	43	328	34	342	37
Settlement and curtailment (gains) losses	6	—	5	—	(7)	1
Expected return on plan assets	(480)	(54)	(516)	(55)	(506)	(56)
Amortization of net actuarial (gains) losses	159	(30)	129	(25)	162	(39)
Amortization of prior service costs (credit)	(11)	—	(11)	—	(12)	—
Total net periodic benefit costs (credit)	291	(38)	122	(42)	194	(53)
Other changes in plan assets and benefit obligations recognized in OCI:						
Net actuarial (gains) losses	250	(41)	2	(191)	(166)	(54)
Prior service costs (credit)	—	—	8	—	1	(1)
Amortization of net actuarial gains (losses)	(159)	30	(129)	25	(162)	39
Amortization of prior service (costs) credit	11	—	11	—	12	—
Settlement and curtailment (gains) losses	(6)	—	(5)	—	(10)	10
Exchange rate changes	(2)	—	(7)	—	(8)	—
Total recognized in OCI	94	(11)	(120)	(166)	(333)	(6)
Total recognized in net periodic benefit costs and OCI	\$ 385	\$ (49)	\$ 2	\$ (208)	\$ (139)	\$ (59)

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**21. Employee Benefit Plans (continued)**

**Assumptions**

Assumptions used in determining benefit obligations for the U.S. plans were as follows:

	<u>Pension Benefits</u>	<u>Other Postretirement Benefits</u>
<b>December 31, 2023</b>		
Weighted average discount rate	5.25%	5.35%
Weighted average interest crediting rate	4.00%	N/A
Rate of compensation increase	2.50% - 8.00%	N/A
<b>December 31, 2022</b>		
Weighted average discount rate	5.60%	5.70%
Weighted average interest crediting rate	4.00%	N/A
Rate of compensation increase	2.50% - 8.00%	N/A

Assumptions used in determining net periodic benefit costs for the U.S. plans were as follows:

	<u>Pension Benefits</u>	<u>Other Postretirement Benefits</u>
<b>Year Ended December 31, 2023</b>		
Weighted average discount rate	5.60%	5.70%
Weighted average interest crediting rate	4.00%	N/A
Weighted average expected rate of return on plan assets	6.25%	4.25%
Rate of compensation increase	2.50% - 8.00%	N/A
<b>Year Ended December 31, 2022</b>		
Weighted average discount rate	2.95%	3.05%
Weighted average interest crediting rate	3.43%	N/A
Weighted average expected rate of return on plan assets	5.00%	3.86%
Rate of compensation increase	2.50% - 8.00%	N/A
<b>Year Ended December 31, 2021</b>		
Weighted average discount rate	3.01%	3.14%
Weighted average interest crediting rate	3.24%	N/A
Weighted average expected rate of return on plan assets	5.00%	3.87%
Rate of compensation increase	2.50% - 8.00%	N/A

The weighted average discount rate for the U.S. plans is determined annually based on the yield, measured on a yield to worst basis, of a hypothetical portfolio constructed of high quality debt instruments available on the measurement date, which would provide the necessary future cash flows to pay the aggregate PBO when due.

The weighted average expected rate of return on plan assets for the U.S. plans is based on anticipated performance of the various asset sectors in which the plans invest, weighted by target allocation percentages. Anticipated future performance is based on long-term historical returns of the plan assets by sector, adjusted for the long-term expectations on the performance of the markets. While the precise expected rate of return derived using this approach will fluctuate from year to year, the policy is to hold this long-term assumption constant as long as it remains within reasonable tolerance from the derived rate.

The weighted average expected rate of return on plan assets for use in that plan's valuation in 2024 is currently anticipated to be 6.00% for U.S. pension benefits and 4.25% for U.S. other postretirement benefits.

The weighted average interest crediting rate is determined annually based on the plan selected rate, long-term financial forecasts of that rate and the demographics of the plan participants.



**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**21. Employee Benefit Plans (continued)**

The assumed healthcare costs trend rates used in measuring the APBO and net periodic benefit costs were as follows:

	December 31,			
	2023		2022	
	Before Age 65	Age 65 and older	Before Age 65	Age 65 and older
Following year	6.2 %	4.5 %	5.2 %	3.9 %
Ultimate rate to which cost increase is assumed to decline	3.7 %	4.5 %	3.7 %	4.5 %
Year in which the ultimate trend rate is reached	2074	2102	2074	2100

**Plan Assets**

Certain U.S. subsidiaries provide employees with benefits under various Employee Retirement Income Security Act of 1974 (“ERISA”) benefit plans. These include qualified pension plans, postretirement medical plans and certain retiree life insurance coverage. The assets of these U.S. subsidiaries’ qualified pension plans are held in insurance group annuity contracts, and the vast majority of the assets of the postretirement medical plan are held in a trust which largely utilizes insurance contracts to hold the assets. All of these contracts are issued by the Company and the assets under the contracts are held in insurance separate accounts. The underlying assets of the separate accounts are principally comprised of cash and cash equivalents, short-term investments, fixed maturity securities AFS, equity securities, derivatives, real estate and private equity investments. The assets backing the retiree life coverage also utilize insurance contracts issued by the Company’s insurance affiliate and are held in a general account Life Insurance Funding Agreement.

The insurance contract provider engages investment management firms (“Managers”) to serve as sub-advisors for the separate accounts based on the specific investment needs and requests identified by the plan fiduciary. These Managers have portfolio management discretion over the purchasing and selling of securities and other investment assets pursuant to the respective investment management agreements and guidelines established for each insurance separate account. The assets of the qualified pension plans and postretirement medical plans (the “Invested Plans”) are well diversified across multiple asset categories and across a number of different Managers, with the intent of minimizing risk concentrations within any given asset category or with any of the given Managers.

The Invested Plans, other than those held in participant directed investment accounts, are managed in accordance with investment policies consistent with the longer-term nature of related benefit obligations and within prudent risk parameters. Specifically, investment policies are oriented toward (i) maximizing the Invested Plan’s funded status; (ii) minimizing the volatility of the Invested Plan’s funded status; (iii) generating asset returns that exceed liability increases; and (iv) targeting rates of return in excess of a custom benchmark and industry standards over appropriate reference time periods. These goals are expected to be met through identifying appropriate and diversified asset classes and allocations, ensuring adequate liquidity to pay benefits and expenses when due and controlling the costs of administering and managing the Invested Plan’s investments. Independent investment consultants are periodically used to evaluate the investment risk of the Invested Plan’s assets relative to liabilities, analyze the economic and portfolio impact of various asset allocations and management strategies and recommend asset allocations.

Derivative contracts may be used to reduce investment risk, to manage duration and to replicate the risk/return profile of an asset or asset class. Derivatives may not be used to leverage a portfolio in any manner, such as to magnify exposure to an asset, asset class, interest rates or any other financial variable. Derivatives are also prohibited for use in creating exposures to securities, currencies, indices or any other financial variable that is otherwise restricted.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**21. Employee Benefit Plans (continued)**

The table below summarizes the actual weighted average allocation of the estimated fair value of total plan assets by asset class at December 31 for the years indicated and the approved target allocation by major asset class at December 31, 2023 for the Invested Plans:

Asset Class	December 31,					
	2023				2022	
	U.S. Pension Benefits		U.S. Other Postretirement Benefits (1)		U.S. Pension Benefits	U.S. Other Postretirement Benefits (1)
	Target	Actual Allocation	Target	Actual Allocation	Actual Allocation	Actual Allocation
Fixed maturity securities AFS	85 %	82 %	95 %	94 %	83 %	96 %
Equity securities (2)	7 %	6 %	5 %	6 %	6 %	4 %
Alternative securities (3)	8 %	12 %	— %	— %	11 %	— %
Total assets		100 %		100 %	100 %	100 %

- (1) U.S. other postretirement benefits do not reflect postretirement life's plan assets invested in fixed maturity securities AFS.
- (2) Equity securities percentage includes derivative assets.
- (3) Alternative securities primarily include private equity and real estate funds.

Estimated Fair Value

The pension and other postretirement benefit plan assets are categorized into a three-level fair value hierarchy, as described in Note 13, based upon the significant input with the lowest level in its valuation. The Level 2 asset category includes certain separate accounts that are primarily invested in liquid and readily marketable securities. The estimated fair value of such separate accounts is based upon reported NAV provided by fund managers and this value represents the amount at which transfers into and out of the respective separate account are effected. These separate accounts provide reasonable levels of price transparency and can be corroborated through observable market data. Directly held investments are primarily invested in U.S. and foreign government and corporate securities. The Level 3 asset category includes separate accounts that are invested in assets that provide little or no price transparency due to the infrequency with which the underlying assets trade and generally require additional time to liquidate in an orderly manner. Accordingly, the values for separate accounts invested in these alternative asset classes are based on inputs that cannot be readily derived from or corroborated by observable market data.

## MetLife, Inc.

## Notes to the Consolidated Financial Statements — (continued)

## 21. Employee Benefit Plans (continued)

The pension and other postretirement plan assets measured at estimated fair value on a recurring basis and their corresponding placement in the fair value hierarchy are summarized as follows:

	December 31, 2023							
	Pension Benefits				Other Postretirement Benefits			
	Fair Value Hierarchy			Total Estimated Fair Value	Fair Value Hierarchy			Total Estimated Fair Value
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
	(In millions)							
<b>Assets</b>								
Fixed maturity securities AFS:								
Corporate	\$ —	\$ 3,029	\$ 54	\$ 3,083	\$ —	\$ 167	\$ —	\$ 167
U.S. government bonds	1,537	38	—	1,575	52	6	—	58
Foreign bonds	—	808	2	810	—	46	—	46
Federal agencies	62	141	—	203	1	—	—	1
Municipals	—	147	—	147	—	8	—	8
Short-term investments	13	184	—	197	554	403	—	957
Other (1)	114	577	8	699	4	33	—	37
Total fixed maturity securities AFS	1,726	4,924	64	6,714	611	663	—	1,274
Equity securities	436	162	12	610	59	—	—	59
Other investments	41	—	828	869	1	—	—	1
Derivative assets	10	67	—	77	—	—	—	—
Total assets	\$ 2,213	\$ 5,153	\$ 904	\$ 8,270	\$ 671	\$ 663	\$ —	\$ 1,334

	December 31, 2022							
	Pension Benefits				Other Postretirement Benefits			
	Fair Value Hierarchy			Total Estimated Fair Value	Fair Value Hierarchy			Total Estimated Fair Value
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
	(In millions)							
<b>Assets</b>								
Fixed maturity securities AFS:								
Corporate	\$ —	\$ 2,946	\$ 55	\$ 3,001	\$ —	\$ 205	\$ —	\$ 205
U.S. government bonds	1,462	45	—	1,507	68	—	—	68
Foreign bonds	—	769	—	769	—	61	—	61
Federal agencies	87	190	—	277	3	1	—	4
Municipals	—	159	—	159	—	15	—	15
Short-term investments	12	384	—	396	463	396	—	859
Other (1)	92	598	3	693	8	36	—	44
Total fixed maturity securities AFS	1,653	5,091	58	6,802	542	714	—	1,256
Equity securities	416	151	3	570	47	—	—	47
Other investments	40	1	855	896	—	—	—	—
Derivative assets	21	1	4	26	—	—	—	—
Total assets	\$ 2,130	\$ 5,244	\$ 920	\$ 8,294	\$ 589	\$ 714	\$ —	\$ 1,303

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

21. Employee Benefit Plans (continued)

- (1) Other primarily includes money market securities, mortgage-backed securities, collateralized mortgage obligations and ABS & CLO.

A rollforward of all pension and other postretirement benefit plan assets measured at estimated fair value on a recurring basis using significant unobservable (Level 3) inputs was as follows:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)					
	Fixed Maturity Securities AFS:					
	Foreign Bonds	Corporate	Other	Equity Securities	Other Investments	Derivative Assets
	(In millions)					
Balance, January 1, 2022	\$ 1	\$ —	\$ 1	\$ 11	\$ 954	\$ —
Realized gains (losses)	—	—	—	—	—	—
Unrealized gains (losses)	—	(1)	—	—	54	1
Purchases, sales, issuances and settlements, net	—	56	3	(8)	(153)	3
Transfers into and/or out of Level 3	(1)	—	(1)	—	—	—
Balance, December 31, 2022	\$ —	\$ 55	\$ 3	\$ 3	\$ 855	\$ 4
Realized gains (losses)	—	—	—	—	(1)	—
Unrealized gains (losses)	—	1	—	1	(51)	(1)
Purchases, sales, issuances and settlements, net	—	2	—	8	25	(3)
Transfers into and/or out of Level 3	2	(4)	5	—	—	—
Balance, December 31, 2023	\$ 2	\$ 54	\$ 8	\$ 12	\$ 828	\$ —

***Expected Future Contributions and Benefit Payments***

It is the subsidiaries' practice to make contributions to the U.S. qualified pension plan to comply with minimum funding requirements of ERISA. In accordance with such practice, no contributions are expected to be required for 2024. The subsidiaries do not expect to make any discretionary contributions to the qualified pension plan in 2024. For information on employer contributions, see "— Obligations and Funded Status."

Benefit payments due under the U.S. nonqualified pension plans are primarily funded from the subsidiaries' general assets as they become due under the provisions of the plans, and therefore benefit payments equal employer contributions. The U.S. subsidiaries expect to make contributions of \$80 million to fund the benefit payments in 2024.

Postretirement benefits are either: (i) not vested under law; (ii) a non-funded obligation of the subsidiaries; or (iii) both. Current regulations do not require funding for these benefits. The subsidiaries use their general assets, net of participant's contributions, to pay postretirement medical claims as they come due. As permitted under the terms of the governing trust document, the subsidiaries may be reimbursed from plan assets for postretirement medical claims paid from their general assets. The U.S. subsidiaries expect to make contributions of \$20 million towards benefit obligations in 2024 to pay postretirement medical claims.

Gross benefit payments for the next 10 years, which reflect expected future service where appropriate, are expected to be as follows:

	Pension Benefits		Other Postretirement Benefits	
	(In millions)			
2024	\$	690	\$	61
2025	\$	697	\$	58
2026	\$	707	\$	57
2027	\$	718	\$	57
2028	\$	735	\$	56
2029-2033	\$	3,668	\$	267

MetLife, Inc.

Notes to the Consolidated Financial Statements — (continued)

21. Employee Benefit Plans (continued)

*Defined Contribution Plans*

Certain subsidiaries sponsor defined contribution plans under which a portion of employee contributions are matched. These subsidiaries contributed \$90 million, \$46 million and \$88 million for the years ended December 31, 2023, 2022 and 2021, respectively.

22. Income Tax

The provision for income tax was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Current:			
U.S. federal	\$ 381	\$ 159	\$ 62
U.S. state and local	46	45	38
Non-U.S.	1,240	1,074	795
Subtotal	1,667	1,278	895
Deferred:			
U.S. federal	(591)	1,234	872
U.S. state and local	(4)	—	(2)
Non-U.S.	(512)	(1,450)	(123)
Subtotal	(1,107)	(216)	747
Provision for income tax expense (benefit)	\$ 560	\$ 1,062	\$ 1,642

The Company's income (loss) before income tax expense (benefit) was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Income (loss):			
U.S.	\$ (95)	\$ 5,785	\$ 4,924
Non-U.S.	2,257	579	3,594
Total	\$ 2,162	\$ 6,364	\$ 8,518

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**22. Income Tax (continued)**

The reconciliation of the income tax provision at the U.S. statutory rate to the provision for income tax as reported was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Tax provision at U.S. statutory rate	\$ 454	\$ 1,337	\$ 1,789
Tax effect of:			
Dividend received deduction	(18)	(20)	(40)
Tax-exempt income	(34)	15	(36)
Prior year tax (1)	(12)	(15)	(127)
Low income housing tax credits	(116)	(143)	(178)
Other tax credits	(39)	(44)	(46)
Foreign tax rate differential (2), (3), (4)	312	(85)	275
Changes in tax law (5)	(198)	—	—
Change in valuation allowance (5)	187	—	1
Other, net	24	17	4
Provision for income tax expense (benefit)	<u>\$ 560</u>	<u>\$ 1,062</u>	<u>\$ 1,642</u>

- (1) As discussed further below, prior year tax primarily includes non-cash benefits related to uncertain tax positions of \$32 million and \$117 million for the years ended December 31, 2022 and 2021, respectively.
- (2) For the year ended December 31, 2023, foreign tax rate differential includes tax charges of \$28 million related to the pending disposition of MetLife Malaysia and \$22 million related to the U.S. tax on Global Intangible Low-Taxed Income (“GILTI”) of which \$28 million is a current year charge, offset by a \$6 million tax benefit revising the 2022 estimate. See Note 3 for further information on the Company’s business dispositions.
- (3) For the year ended December 31, 2022, foreign tax rate differential includes tax charges of \$12 million related to the U.S. tax on GILTI of which \$33 million is a current year charge, offset by a \$21 million tax benefit revising the 2021 estimate.
- (4) For the year ended December 31, 2021, foreign tax rate differential includes tax charges of \$50 million related to the disposition of MetLife Poland and Greece, \$41 million related to the sale of MetLife Seguros and \$30 million related to the U.S. tax on GILTI, which included a \$42 million 2021 charge, offset by a \$12 million tax benefit revising the 2020 estimate. See Note 3 for information on the Company’s business dispositions.
- (5) For the year ended December 31, 2023, changes in tax law include tax benefits of \$198 million and a change in valuation allowance includes a tax charge of \$198 million related to adjustments of deferred taxes due to the enactment of the Bermuda Corporate Income Tax (“BCIT”), as discussed further below.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**22. Income Tax (continued)**

Deferred income tax represents the tax effect of the differences between the book and tax bases of assets and liabilities. Net deferred income tax assets and liabilities consisted of the following at:

	December 31,	
	2023	2022
(In millions)		
Deferred income tax assets:		
Policyholder liabilities and receivables	\$ 3,476	\$ 758
Net operating loss carryforwards (1)	256	238
Employee benefits	523	475
Capital loss carryforwards	29	15
Tax credit carryforwards (2)	82	590
Net unrealized investment losses	4,308	5,946
Litigation-related and government mandated	101	90
Other	393	67
Total gross deferred income tax assets	9,168	8,179
Less: Valuation allowance (1)	496	291
Total net deferred income tax assets	8,672	7,888
Deferred income tax liabilities:		
Investments, including derivatives	2,054	1,691
Intangibles	1,004	1,096
DAC	3,929	3,612
Total deferred income tax liabilities	6,987	6,399
Net deferred income tax asset (liability)	\$ 1,685	\$ 1,489

- (1) The Company has recorded a deferred tax asset of \$256 million related to U.S. state and non-U.S. net operating loss carryforwards and an offsetting valuation allowance for the year ended December 31, 2023. Certain net operating loss carryforwards will expire between 2024 and 2042, whereas others have an unlimited carryforward period. The Company's deferred tax asset for the year ended December 31, 2023 includes \$198 million recognized due to the BCIT with an offsetting valuation allowance as management believes it is more likely than not that the deferred tax asset will not be realized.
- (2) Tax credit carryforwards for the year ended December 31, 2023 primarily reflect foreign tax credits which have no expiration date.

The Company has not provided for U.S. deferred taxes on the remaining excess of book bases over tax bases of certain investments in non-U.S. subsidiaries that are essentially permanent in duration. The amount of deferred tax liability related to the Company's remaining basis difference in these non-U.S. subsidiaries was \$223 million at December 31, 2023.

The Company files income tax returns with the U.S. federal government and various U.S. state and local jurisdictions, as well as non-U.S. jurisdictions. The Company is under continuous examination by the Internal Revenue Service ("IRS") and other tax authorities in jurisdictions in which the Company has significant business operations. The income tax years under examination vary by jurisdiction and subsidiary. The Company is no longer subject to U.S. federal, state, or local income tax examinations for years prior to 2017. In material non-U.S. jurisdictions, the Company is no longer subject to income tax examinations for years prior to 2016.

In 2022, the IRS began a federal income tax audit of MetLife, Inc. and subsidiaries for tax years 2017-2019. The audit is ongoing and to date, no material issues have been raised and no adjustments have been proposed.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**22. Income Tax (continued)**

In 2021, the Company filed amended federal income tax returns with the IRS for MetLife, Inc. and subsidiaries for tax years 2014 through 2016. In 2022, the IRS reviewed and acknowledged acceptance of the 2014 through 2016 amended federal income tax returns and closed the years to further audit. Accordingly, in 2022, the Company recorded a non-cash benefit to net income of \$70 million, net of income tax, comprised of a \$67 million tax benefit recorded in provision for income tax expense (benefit) and a \$4 million interest benefit (\$3 million, net of income tax) included in other expenses.

In 2021, the Company filed amended federal income tax returns with the IRS for MetLife, Inc. and subsidiaries for tax years 2010 through 2013. In 2021, the IRS reviewed and acknowledged acceptance of the 2010 through 2013 amended federal income tax returns and closed the years to further audit. Accordingly, in 2021, the Company recorded a non-cash benefit to net income of \$53 million in provision for income tax expense (benefit). In addition, in 2021, the IRS concluded its federal income tax audit of American Life for tax years 2010 through 2013. Accordingly, in 2021, the Company recorded a non-cash benefit to net income of \$42 million, net of income tax, comprised of a \$34 million tax benefit recorded in provision for income tax expense (benefit) and a \$10 million interest benefit (\$8 million, net of income tax) included in other expenses.

The Company’s overall liability for unrecognized tax benefits may increase or decrease in the next 12 months. For example, U.S. federal tax legislation and regulation could impact unrecognized tax benefits. A reasonable estimate of the increase or decrease cannot be made at this time. However, the Company continues to believe that the ultimate resolution of the pending issues will not result in a material change to its consolidated financial statements, although the resolution of income tax matters could impact the Company’s effective tax rate for a particular future period.

A reconciliation of the beginning and ending amount of unrecognized tax benefits was as follows:

	<b>Years Ended December 31,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
	<b>(In millions)</b>		
Balance at January 1,	\$ 129	\$ 163	\$ 272
Additions for tax positions of prior years	27	42	19
Reductions for tax positions of prior years (1)	(30)	(93)	(112)
Additions for tax positions of current year	5	22	5
Reductions for tax positions of current year	—	(3)	(18)
Settlements with tax authorities	—	(2)	(3)
Balance at December 31,	<u>\$ 131</u>	<u>\$ 129</u>	<u>\$ 163</u>
Unrecognized tax benefits that, if recognized, would impact the effective rate	<u>\$ 90</u>	<u>\$ 80</u>	<u>\$ 103</u>

(1) For the years ended December 31, 2022 and 2021, primarily includes reductions related to non-cash benefits from tax audit settlements.

The Company classifies interest accrued related to unrecognized tax benefits in interest expense, included within other expenses.



**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**22. Income Tax (continued)**

Interest was as follows:

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Interest expense (benefit) recognized on the consolidated statements of operations (1)	\$ 7	\$ —	\$ (36)

	December 31,	
	2023	2022
	(In millions)	
Interest included in other liabilities on the consolidated balance sheets	\$ 22	\$ 15

- (1) For the year ended December 31, 2021, the interest benefit is primarily related to a tax audit settlement of \$10 million which was recorded in other expenses and a reclassification of \$26 million to current income tax payable.

**23. Earnings Per Common Share**

The following table presents the weighted average shares, basic earnings per common share and diluted earnings per common share:

	Years Ended December 31,		
	2023	2022	2021
	(In millions, except per share data)		
<b>Weighted Average Shares:</b>			
Weighted average common stock outstanding - basic	757.7	803.2	862.7
Incremental common shares from assumed exercise or issuance of stock-based awards	4.6	5.7	6.7
Weighted average common stock outstanding - diluted	<u>762.3</u>	<u>808.9</u>	<u>869.4</u>
<b>Net Income (Loss):</b>			
Net income (loss)	\$ 1,602	\$ 5,302	\$ 6,876
Less: Net income (loss) attributable to noncontrolling interests	24	18	21
Less: Preferred stock dividends	198	185	195
Preferred stock redemption premium	—	—	6
Net income (loss) available to MetLife, Inc.'s common shareholders	<u>\$ 1,380</u>	<u>\$ 5,099</u>	<u>\$ 6,654</u>
Basic	<u>\$ 1.82</u>	<u>\$ 6.35</u>	<u>\$ 7.71</u>
Diluted	<u>\$ 1.81</u>	<u>\$ 6.30</u>	<u>\$ 7.65</u>

**24. Contingencies, Commitments and Guarantees**

***Contingencies***

**Litigation**

The Company is a defendant in a large number of litigation matters. Putative or certified class action litigation and other litigation and claims and assessments against the Company, in addition to those discussed below and those otherwise provided for in the Company's consolidated financial statements, have arisen in the course of the Company's business, including, but not limited to, in connection with its activities as an insurer, mortgage lending bank, employer, investor, investment advisor, broker-dealer, and taxpayer.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****24. Contingencies, Commitments and Guarantees (continued)**

The Company also receives and responds to subpoenas or other inquiries seeking a broad range of information from state regulators, including state insurance commissioners; state attorneys general or other state governmental authorities; federal regulators, including the U.S. Securities and Exchange Commission; federal governmental authorities, including congressional committees; and the Financial Industry Regulatory Authority, as well as from local and national regulators and government authorities in jurisdictions outside the United States where the Company conducts business. The issues involved in information requests and regulatory matters vary widely, but can include inquiries or investigations concerning the Company's compliance with applicable insurance and other laws and regulations. The Company cooperates in these inquiries.

It is not possible to predict the ultimate outcome of all pending investigations and legal proceedings. The Company establishes liabilities for litigation and regulatory loss contingencies when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. In certain circumstances where liabilities have been established there may be coverage under one or more corporate insurance policies, pursuant to which there may be an insurance recovery. Insurance recoveries are recognized as gains when any contingencies relating to the insurance claim have been resolved, which is the earlier of when the gains are realized or realizable. It is possible that some of the matters could require the Company to pay damages or make other expenditures or establish accruals in amounts that could not be reasonably estimated at December 31, 2023. While the potential future charges could be material in the particular quarterly or annual periods in which they are recorded, based on information currently known to management, management does not believe any such charges are likely to have a material effect on the Company's financial position. Given the large and/or indeterminate amounts sought in certain of these matters and the inherent unpredictability of litigation, it is possible that an adverse outcome in certain matters could, from time to time, have a material effect on the Company's consolidated net income or cash flows in particular quarterly or annual periods.

**Matters as to Which an Estimate Can Be Made**

For some matters, the Company is able to estimate a reasonably possible range of loss. For matters where a loss is believed to be reasonably possible, but not probable, the Company has not made an accrual. As of December 31, 2023, the Company estimates the aggregate range of reasonably possible losses in excess of amounts accrued for these matters to be \$0 to \$125 million.

**Matters as to Which an Estimate Cannot Be Made**

For other matters, the Company is not currently able to estimate the reasonably possible loss or range of loss. The Company is often unable to estimate the possible loss or range of loss until developments in such matters have provided sufficient information to support an assessment of the range of possible loss, such as quantification of a damage demand from plaintiffs, discovery from other parties and investigation of factual allegations, rulings by the court on motions or appeals, analysis by experts, and the progress of settlement negotiations. On a quarterly and annual basis, the Company reviews relevant information with respect to litigation contingencies and updates its accruals, disclosures and estimates of reasonably possible losses or ranges of loss based on such reviews.

**Asbestos-Related Claims**

MLIC is and has been a defendant in a large number of asbestos-related suits filed primarily in state courts. These suits principally allege that the plaintiff or plaintiffs suffered personal injury resulting from exposure to asbestos and seek both actual and punitive damages. MLIC has never engaged in the business of manufacturing or selling asbestos-containing products, nor has MLIC issued liability or workers' compensation insurance to companies in the business of manufacturing or selling asbestos-containing products. The lawsuits principally have focused on allegations with respect to certain research, publication and other activities of one or more of MLIC's employees during the period from the 1920s through approximately the 1950s and allege that MLIC learned or should have learned of certain health risks posed by asbestos and, among other things, improperly publicized or failed to disclose those health risks. MLIC believes that it should not have legal liability in these cases. The outcome of most asbestos litigation matters, however, is uncertain and can be impacted by numerous variables, including differences in legal rulings in various jurisdictions, the nature of the alleged injury and factors unrelated to the ultimate legal merit of the claims asserted against MLIC.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**24. Contingencies, Commitments and Guarantees (continued)**

MLIC’s defenses include that: (i) MLIC owed no duty to the plaintiffs; (ii) plaintiffs did not rely on any actions of MLIC; (iii) MLIC’s conduct was not the cause of the plaintiffs’ injuries; and (iv) plaintiffs’ exposure occurred after the dangers of asbestos were known. During the course of the litigation, certain trial courts have granted motions dismissing claims against MLIC, while other trial courts have denied MLIC’s motions. There can be no assurance that MLIC will receive favorable decisions on motions in the future. While most cases brought to date have settled, MLIC intends to continue to defend aggressively against claims based on asbestos exposure, including defending claims at trials.

The approximate total number of asbestos personal injury claims pending against MLIC as of the dates indicated, the approximate number of new claims during the years ended on those dates and the approximate total settlement payments made to resolve asbestos personal injury claims at or during those years are set forth in the following table:

	<b>December 31,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
	<b>(In millions, except number of claims)</b>		
Asbestos personal injury claims at year end	57,488	58,073	58,785
Number of new claims during the year	2,565	2,610	2,824
Settlement payments during the year (1)	\$ 50.6	\$ 50.5	\$ 53.0

- (1) Settlement payments represent payments made by MLIC during the year in connection with settlements made in that year and in prior years. Amounts do not include MLIC’s attorneys’ fees and expenses.

The number of asbestos cases that may be brought, the aggregate amount of any liability that MLIC may incur, and the total amount paid in settlements in any given year are uncertain and may vary significantly from year to year.

The ability of MLIC to estimate its ultimate asbestos exposure is subject to considerable uncertainty, and the conditions impacting its liability can be dynamic and subject to change. The availability of reliable data is limited and it is difficult to predict the numerous variables that can affect liability estimates, including the number of future claims, the cost to resolve claims, the disease mix and severity of disease in pending and future claims, the willingness of courts to allow plaintiffs to pursue claims against MLIC when exposure to asbestos took place after the dangers of asbestos exposure were well known, and the impact of any possible future adverse verdicts and their amounts.

The ability to make estimates regarding ultimate asbestos exposure declines significantly as the estimates relate to years further in the future. In the Company’s judgment, there is a future point after which losses cease to be probable and reasonably estimable. It is reasonably possible that the Company’s total exposure to asbestos claims may be materially greater than the asbestos liability currently accrued and that future charges to income may be necessary, but management does not believe any such charges are likely to have a material effect on the Company’s financial position.

The Company believes adequate provision has been made in its consolidated financial statements for all probable and reasonably estimable losses for asbestos-related claims. MLIC’s recorded asbestos liability covers pending claims, claims not yet asserted, and legal defense costs and is based on estimates and includes significant assumptions underlying its analysis.

MLIC reevaluates on a quarterly and annual basis its exposure from asbestos litigation, including studying its claims experience, reviewing external literature regarding asbestos claims experience in the United States, assessing relevant trends impacting asbestos liability and considering numerous variables that can affect its asbestos liability exposure on an overall or per claim basis. Based upon its regular reevaluation of its exposure from asbestos litigation, MLIC has updated its recorded liability for asbestos-related claims. The frequency of severe claims relating to asbestos has not declined as expected, and MLIC has reflected this in its provisions. Accordingly, MLIC increased its recorded liability for asbestos-related claims to \$364 million at December 31, 2023. The recorded liability was \$320 million at December 31, 2022.

**MetLife, Inc.****Notes to the Consolidated Financial Statements — (continued)****24. Contingencies, Commitments and Guarantees (continued)****Total Asset Recovery Services, LLC. v. MetLife, Inc., et al. (Supreme Court of the State of New York, County of New York, filed December 27, 2017)**

Total Asset Recovery Services (the “Relator”) brought an action under the qui tam provision of the New York False Claims Act (the “Act”) on behalf of itself and the State of New York. The Relator originally filed this action under seal in 2010, and the complaint was unsealed on December 19, 2017. The Relator alleges that MetLife, Inc., MLIC, and several other insurance companies violated the Act by filing false unclaimed property reports with the State of New York from 1986 to 2017, to avoid having to escheat the proceeds of more than 25,000 life insurance policies, including policies for which the defendants escheated funds as part of their demutualizations in the late 1990s. The Relator seeks treble damages and other relief. The Appellate Division of the New York State Supreme Court, First Department, reversed the court’s order granting MetLife, Inc. and MLIC’s motion to dismiss and remanded the case to the trial court where the Relator has filed an amended complaint. The Company intends to defend the action vigorously.

**Matters Related to Group Annuity Benefits**

In 2018, the Company announced that it identified a material weakness in its internal control over financial reporting related to the practices and procedures for estimating reserves for certain group annuity benefits. Several regulators have made inquiries into the issue and it is possible that other jurisdictions may pursue similar investigations or inquiries. The Company could be exposed to lawsuits and additional legal actions relating to the issue. These may result in payments, including damages, fines, penalties, interest and other amounts assessed or awarded by courts or regulatory authorities under applicable escheat, tax, securities, ERISA, or other laws or regulations. The Company could incur significant costs in connection with these actions.

**Commitments****Mortgage Loan Commitments**

The Company commits to lend funds under mortgage loan commitments. The amounts of these mortgage loan commitments were \$4.0 billion and \$3.4 billion at December 31, 2023 and 2022, respectively.

**Commitments to Fund Partnership Investments, Bank Credit Facilities, Bridge Loans and Private Corporate Bond Investments**

The Company commits to fund partnership investments and to lend funds under bank credit facilities, bridge loans and private corporate bond investments. The amounts of these unfunded commitments were \$9.2 billion and \$9.4 billion at December 31, 2023 and 2022, respectively.

**Guarantees**

In the normal course of its business, the Company has provided certain indemnities and guarantees to third parties such that it may be required to make payments now or in the future. In the context of acquisition, disposition, investment and other transactions, the Company has provided indemnities and guarantees, including those related to tax, environmental and other specific liabilities and other indemnities and guarantees that are triggered by, among other things, breaches of representations, warranties or covenants provided by the Company. In addition, in the normal course of business, the Company provides indemnifications to counterparties in contracts with triggers similar to the foregoing, as well as for certain other liabilities, such as third-party lawsuits. These obligations are often subject to time limitations that vary in duration, including contractual limitations and those that arise by operation of law, such as applicable statutes of limitation. In some cases, the maximum potential obligation under the indemnities and guarantees is subject to a contractual limitation ranging from less than \$1 million to \$329 million, with a cumulative maximum of \$630 million, while in other cases such limitations are not specified or applicable. Since certain of these obligations are not subject to limitations, the Company does not believe that it is possible to determine the maximum potential amount that could become due under these guarantees in the future. Management believes that it is unlikely the Company will have to make any material payments under these indemnities or guarantees.

In addition, the Company indemnifies its directors and officers as provided in its charters and by-laws. Also, the Company indemnifies its agents for liabilities incurred as a result of their representation of the Company’s interests. Since these indemnities are generally not subject to limitation with respect to duration or amount, the Company does not believe that it is possible to determine the maximum potential amount that could become due under these indemnities in the future.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**24. Contingencies, Commitments and Guarantees (continued)**

The Company also has minimum fund yield requirements on certain pension funds. Since these guarantees are not subject to limitation with respect to duration or amount, the Company does not believe that it is possible to determine the maximum potential amount that could become due under these guarantees in the future.

The Company's recorded liabilities were \$19 million and \$20 million at December 31, 2023 and 2022, respectively, for indemnities and guarantees.

**MetLife, Inc.**

**Notes to the Consolidated Financial Statements — (continued)**

**25. Quarterly Results of Operations (Unaudited)**

The unaudited quarterly results of operations for 2023 and 2022 are summarized in the table below:

	Three Months Ended			
	March 31,	June 30,	September 30,	December 31,
(In millions, except per share data)				
<b>2023</b>				
Total revenues	\$ 15,388	\$ 16,623	\$ 15,866	\$ 19,028
Total expenses	\$ 15,131	\$ 16,193	\$ 15,332	\$ 18,087
Net income (loss)	\$ 85	\$ 408	\$ 495	\$ 614
Less: Net income (loss) attributable to noncontrolling interests	\$ 5	\$ 6	\$ 6	\$ 7
Net income (loss) attributable to MetLife, Inc.	\$ 80	\$ 402	\$ 489	\$ 607
Less: Preferred stock dividends	\$ 66	\$ 32	\$ 67	\$ 33
Net income (loss) available to MetLife, Inc.'s common shareholders	\$ 14	\$ 370	\$ 422	\$ 574
<b>Basic earnings per common share</b>				
Net income (loss) attributable to MetLife, Inc.	\$ 0.10	\$ 0.52	\$ 0.65	\$ 0.82
Net income (loss) available to MetLife, Inc.'s common shareholders	\$ 0.02	\$ 0.48	\$ 0.56	\$ 0.78
<b>Diluted earnings per common share</b>				
Net income (loss) attributable to MetLife, Inc.	\$ 0.10	\$ 0.52	\$ 0.65	\$ 0.82
Net income (loss) available to MetLife, Inc.'s common shareholders	\$ 0.02	\$ 0.48	\$ 0.56	\$ 0.77
<b>2022</b>				
Total revenues	\$ 15,405	\$ 15,474	\$ 22,283	\$ 15,608
Total expenses	\$ 13,470	\$ 14,486	\$ 20,868	\$ 13,582
Net income (loss)	\$ 1,639	\$ 915	\$ 1,167	\$ 1,581
Less: Net income (loss) attributable to noncontrolling interests	\$ 5	\$ 5	\$ 5	\$ 3
Net income (loss) attributable to MetLife, Inc.	\$ 1,634	\$ 910	\$ 1,162	\$ 1,578
Less: Preferred stock dividends	\$ 63	\$ 29	\$ 64	\$ 29
Net income (loss) available to MetLife, Inc.'s common shareholders	\$ 1,571	\$ 881	\$ 1,098	\$ 1,549
<b>Basic earnings per common share</b>				
Net income (loss) attributable to MetLife, Inc.	\$ 1.98	\$ 1.12	\$ 1.46	\$ 2.01
Net income (loss) available to MetLife, Inc.'s common shareholders	\$ 1.91	\$ 1.09	\$ 1.38	\$ 1.98
<b>Diluted earnings per common share</b>				
Net income (loss) attributable to MetLife, Inc.	\$ 1.97	\$ 1.12	\$ 1.45	\$ 2.00
Net income (loss) available to MetLife, Inc.'s common shareholders	\$ 1.89	\$ 1.08	\$ 1.37	\$ 1.96

**MetLife, Inc.**

**Schedule I**

**Consolidated Summary of Investments —  
Other Than Investments in Related Parties  
December 31, 2023**

**(In millions)**

<b>Types of Investments</b>	<b>Cost or Amortized Cost (1)</b>	<b>Estimated Fair Value</b>	<b>Amount at Which Shown on Balance Sheet</b>
Fixed maturity securities AFS:			
Bonds:			
Foreign government	\$ 48,260	\$ 45,489	\$ 45,489
U.S. government and agency	35,374	32,252	32,252
Public utilities	10,842	10,534	10,534
Municipals	11,991	11,171	11,171
All other corporate bonds	132,887	124,645	124,645
Total bonds	239,354	224,091	224,091
Mortgage-backed, asset-backed and collateralized loan obligations securities	60,244	56,339	56,339
Redeemable preferred stock	957	982	982
Total fixed maturity securities AFS	300,555	281,412	281,412
Unit-linked and FVO securities	8,742	10,331	10,331
Equity securities:			
Common stock:			
Industrial, miscellaneous and all other	306	456	456
Banks, trust and insurance companies	118	204	204
Public utilities	—	3	3
Non-redeemable preferred stock	90	94	94
Total equity securities	514	757	757
Mortgage loans	93,227		92,506
Policy loans	8,788		8,788
Real estate and real estate joint ventures	13,142		13,142
Real estate acquired in satisfaction of debt	190		190
Other limited partnership interests	14,764		14,764
Short-term investments	5,990		6,045
Other invested assets	18,225		18,202
Total investments	\$ 464,137		\$ 446,137

- (1) Unit-linked and FVO securities are primarily equity securities (including mutual funds) and fixed maturity securities. Amortized cost for fixed maturity securities AFS, Unit-linked and FVO securities, mortgage loans, policy loans and short-term investments represents original cost reduced by repayments and adjusted for amortization of premium or accretion of discount; for equity securities, cost represents original cost; for real estate, cost represents original cost reduced by impairments and depreciation; for real estate joint ventures and other limited partnership interests, cost represents original cost reduced for impairments and adjusted for equity in earnings and distributions.

**MetLife, Inc.**

**Schedule II**

**Condensed Financial Information  
(Parent Company Only)  
December 31, 2023 and 2022**

**(In millions, except share and per share data)**

	2023	2022
<b>Condensed Balance Sheets</b>		
<b>Assets</b>		
Investments:		
Fixed maturity securities available-for-sale, at estimated fair value (amortized cost: \$1,689 and \$3,877, respectively)	\$ 1,583	\$ 3,729
Short-term investments, principally at estimated fair value	52	—
Other invested assets, at estimated fair value	517	376
Total investments	2,152	4,105
Cash and cash equivalents	3,021	1,290
Accrued investment income	9	20
Investment in subsidiaries	43,838	42,736
Loans to subsidiaries	305	95
Other assets	667	724
Total assets	<u>\$ 49,992</u>	<u>\$ 48,970</u>
<b>Liabilities and Stockholders' Equity</b>		
<b>Liabilities</b>		
Payables for collateral under derivatives transactions	\$ 265	\$ 154
Long-term debt — unaffiliated	14,516	13,588
Long-term debt — affiliated	1,585	1,676
Junior subordinated debt securities	2,468	2,465
Other liabilities	1,143	1,206
Total liabilities	19,977	19,089
<b>Stockholders' Equity</b>		
Preferred stock, par value \$0.01 per share; \$3,905 aggregate liquidation preference	—	—
Common stock, par value \$0.01 per share; 3,000,000,000 shares authorized; 1,191,823,651 and 1,189,831,471 shares issued, respectively; 730,821,111 and 779,098,414 shares outstanding, respectively	12	12
Additional paid-in capital	33,690	33,616
Retained earnings	40,146	40,332
Treasury stock, at cost; 461,002,540 and 410,733,057 shares, respectively	(24,591)	(21,458)
Accumulated other comprehensive income (loss)	(19,242)	(22,621)
Total stockholders' equity	30,015	29,881
Total liabilities and stockholders' equity	<u>\$ 49,992</u>	<u>\$ 48,970</u>

**See accompanying notes to the condensed financial information.**



**MetLife, Inc.**  
**Schedule II**  
**Condensed Financial Information — (continued)**  
**(Parent Company Only)**  
**Years Ended December 31, 2023, 2022 and 2021**  
**(In millions)**

	2023	2022	2021
<b>Condensed Statements of Operations</b>			
<b>Revenues</b>			
Net investment income	\$ 188	\$ 58	\$ 25
Other revenues	17	17	19
Net investment gains (losses)	134	332	1,655
Net derivative gains (losses)	(41)	129	116
Total revenues	<u>298</u>	<u>536</u>	<u>1,815</u>
<b>Expenses</b>			
Interest expense	907	829	847
Other expenses	140	79	207
Total expenses	<u>1,047</u>	<u>908</u>	<u>1,054</u>
Income (loss) before provision for income tax and equity in earnings of subsidiaries	(749)	(372)	761
Provision for income tax (expense) benefit	128	37	(202)
Equity in earnings of subsidiaries	2,199	5,619	6,296
Net income (loss)	<u>1,578</u>	<u>5,284</u>	<u>6,855</u>
Less: Preferred stock dividends	198	185	195
Preferred stock redemption premium	—	—	6
Net income (loss) available to common shareholders	<u>\$ 1,380</u>	<u>\$ 5,099</u>	<u>\$ 6,654</u>
Comprehensive income (loss)	<u>\$ 4,957</u>	<u>\$ (14,886)</u>	<u>\$ 4,089</u>

**See accompanying notes to the condensed financial information.**

**MetLife, Inc.**  
**Schedule II**  
**Condensed Financial Information — (continued)**  
**(Parent Company Only)**  
**Years Ended December 31, 2023, 2022 and 2021**  
**(In millions)**

	2023	2022	2021
<b>Condensed Statements of Cash Flows</b>			
<b>Cash flows from operating activities</b>			
Net income (loss)	\$ 1,578	\$ 5,284	\$ 6,855
Earnings of subsidiaries	(2,199)	(5,619)	(6,296)
Dividends from subsidiaries	4,780	5,168	4,830
(Gains) losses on investments and from sales of businesses, net	(134)	(332)	(1,655)
Other, net	158	(73)	23
Net cash provided by (used in) operating activities	<u>4,183</u>	<u>4,428</u>	<u>3,757</u>
<b>Cash flows from investing activities</b>			
Sales, maturities and repayments of fixed maturity securities available-for-sale	3,093	1,609	5,078
Purchases of fixed maturity securities available-for-sale	(973)	(2,757)	(4,371)
Sales, maturities and repayments of short-term investments	1,330	—	—
Purchases of short-term investments	(1,375)	—	—
Net change in short-term investments	—	—	156
Cash received in connection with freestanding derivatives	161	296	111
Cash paid in connection with freestanding derivatives	(155)	(103)	(27)
Sales of businesses	—	—	3,902
Expense paid on behalf of subsidiaries	(4)	(10)	(15)
Receipts on loans to subsidiaries	250	150	195
Issuances of loans to subsidiaries	(460)	(210)	(230)
Returns of capital from subsidiaries	6	8	13
Capital contributions to subsidiaries	(528)	(5)	(88)
Other, net	(3)	15	9
Net cash provided by (used in) investing activities	<u>1,342</u>	<u>(1,007)</u>	<u>4,733</u>
<b>Cash flows from financing activities</b>			
Net change in payables for collateral under derivative transactions	111	1	88
Long-term debt issued	1,986	1,000	496
Long-term debt repaid	(1,000)	—	(996)
Treasury stock acquired in connection with share repurchases	(3,103)	(3,326)	(4,303)
Redemption of preferred stock	—	—	(494)
Preferred stock redemption premium	—	—	(6)
Dividends on preferred stock	(198)	(185)	(195)
Dividends on common stock	(1,566)	(1,598)	(1,647)
Other, net	(24)	16	87
Net cash provided by (used in) financing activities	<u>(3,794)</u>	<u>(4,092)</u>	<u>(6,970)</u>
Change in cash and cash equivalents	1,731	(671)	1,520
Cash and cash equivalents, beginning of year	1,290	1,961	441
<b>Cash and cash equivalents, end of year</b>	<u>\$ 3,021</u>	<u>\$ 1,290</u>	<u>\$ 1,961</u>

**MetLife, Inc.**

**Schedule II**

**Condensed Financial Information — (continued)**

**(Parent Company Only)**

**Years Ended December 31, 2023, 2022 and 2021**

**(In millions)**

	2023	2022	2021
<b>Supplemental disclosures of cash flow information</b>			
Net cash paid (received) for:			
Interest	\$ 852	\$ 800	\$ 853
Income tax:			
Amounts paid to (received from) subsidiaries, net	\$ (671)	\$ (214)	\$ (110)
Income tax paid (received) by MetLife, Inc., net	506	85	128
Total income tax, net	\$ (165)	\$ (129)	\$ 18
Non-cash transactions:			
Dividends from subsidiary	\$ —	\$ —	\$ 14
Returns of capital from subsidiaries	\$ 2	\$ 12	\$ 7
Capital contributions to subsidiaries	\$ 1	\$ 11	\$ 15

**MetLife, Inc.**

**Schedule II**

**Notes to the Condensed Financial Information**

**(Parent Company Only)**

**1. Basis of Presentation**

The condensed financial information of MetLife, Inc. (parent company only) should be read in conjunction with the consolidated financial statements of MetLife, Inc. and its subsidiaries and the notes thereto (the “Consolidated Financial Statements”). These condensed unconsolidated financial statements reflect the results of operations, financial position and cash flows for MetLife, Inc. Investments in subsidiaries are accounted for using the equity method of accounting.

The preparation of these condensed unconsolidated financial statements in conformity with GAAP requires management to adopt accounting policies and make certain estimates and assumptions. The most important of these estimates and assumptions relate to the fair value measurements, the accounting for goodwill and the provision for potential losses that may arise from litigation and regulatory proceedings and tax audits, which may affect the amounts reported in the condensed unconsolidated financial statements and accompanying notes. Actual results could differ from these estimates.

**Adoption of ASU 2018-12 - Targeted Improvements to the Accounting for Long-Duration Contracts**

Effective January 1, 2023, MetLife, Inc. adopted ASU 2018-12, Financial Services—Insurance (Topic 944): Targeted Improvements to the Accounting for Long-Duration Contracts, as amended by ASU 2019-09, Financial Services—Insurance (Topic 944): Effective Date; ASU 2020-11, Financial Services—Insurance (Topic 944): Effective Date and Early Application; and ASU 2022-05, Financial Services—Insurance (Topic 944): Transition for Sold Contracts (“LDTI”), with a transition date of January 1, 2021. Adoption of LDTI impacted MetLife, Inc.’s accounting and presentation related to long-duration insurance contracts and certain related balances for the years ended December 31, 2022 and 2021. Amounts within these condensed unconsolidated financial statements which were previously presented, primarily investment in subsidiaries and net investment income, have been revised to conform with the current year accounting and presentation under LDTI. See Note 1 of the Notes to the Consolidated Financial Statements for further information on the adoption of LDTI.

**2. Investment in Subsidiaries**

In April 2021, MetLife, Inc. received \$3.9 billion in cash in connection with the disposition of MetLife P&C.

See Note 3 of the Notes to the Consolidated Financial Statements for additional information on dispositions.

**3. Loans to Subsidiaries**

MetLife, Inc. lends funds as necessary, through credit agreements or otherwise to its subsidiaries, some of which are regulated, to meet their capital requirements or to provide liquidity. Payments of interest and principal on surplus notes of regulated subsidiaries, which are subordinate to all other obligations of the issuing company, may be made only with the prior approval of the insurance department of the state of domicile.

In March 2023, under the existing credit facility, MetLife Services and Solutions, LLC (“MSS”) issued a \$250 million short-term note to MetLife, Inc. which was repaid by December 2023. The short-term note bore interest at three-month CME Term SOFR plus 1.24%. During 2022 and 2021, MSS also issued \$150 million and \$195 million, respectively, in short-term notes to MetLife, Inc. which were repaid by September 2022 and August 2021, respectively. The short-term notes bore interest at six-month LIBOR plus 1.00%.

In March 2023, Missouri Reinsurance, Inc. (“MoRe”), issued to MetLife, Inc. an \$80 million 5.34% promissory note maturing in March 2028, an \$80 million 5.68% promissory note maturing in March 2033 and a \$50 million 6.05% promissory note maturing in March 2038. In December 2022 and 2021, MoRe also issued to MetLife, Inc. a \$60 million 5.23% promissory note maturing in December 2024 and a \$35 million 2.12% promissory note maturing in December 2024. All notes are payable semi-annually.

Interest income earned on loans to subsidiaries of \$22 million, \$2 million and \$1 million for the years ended December 31, 2023, 2022 and 2021, respectively, is included in net investment income.

**MetLife, Inc.**

**Schedule II**

**Notes to the Condensed Financial Information — (continued)**

**(Parent Company Only)**

**4. Long-term Debt**

Long-term debt outstanding was as follows:

	Interest Rates (1)						December 31,	
	Range		Maturity				2023	2022
	(Dollars in millions)							
Senior notes — unaffiliated (2)	0.50%	-	6.50%	2024	-	2054	\$ 14,516	\$ 13,588
Senior notes — affiliated	1.59%	-	7.49%	2025	-	2031	1,585	1,676
Total							\$ 16,101	\$ 15,264

- (1) Range of interest rates are for the year ended December 31, 2023.
- (2) Net of \$106 million and \$83 million of unamortized issuance costs and net premiums and discounts at December 31, 2023 and 2022, respectively.

See Notes 16 of the Notes to the Consolidated Financial Statements for additional information.

The aggregate maturities of long-term debt at December 31, 2023 for the next five years and thereafter are \$1.4 billion in 2024, \$1.2 billion in 2025, \$476 million in 2026, \$0 in 2027, \$237 million in 2028 and \$12.7 billion thereafter.

**Senior Notes – Affiliated**

In July 2023, a ¥37.3 billion 1.6015% senior unsecured note issued to MLIC matured and was refinanced with a ¥37.3 billion 2.1575% senior unsecured note due July 2030 issued to MLIC.

In December 2021, ¥54.6 billion 3.1350% senior unsecured notes issued to various subsidiaries matured and were refinanced with the following senior unsecured notes issued to various subsidiaries: (i) ¥12.2 billion 1.588% due December 2026, (ii) ¥19.1 billion 1.7185% due December 2028 and (iii) ¥23.3 billion 1.850% due December 2031.

In July 2021, ¥53.7 billion 2.9725% senior unsecured notes issued to various subsidiaries matured and were refinanced with the following senior unsecured notes issued to various subsidiaries: (i) ¥13.7 billion 1.610% due July 2026, (ii) ¥14.3 billion 1.755% due July 2028 and (iii) ¥25.7 billion 1.852% due July 2031.

**Interest Expense**

Interest expense was comprised of the following:

	Years Ended December 31,		
	2023	2022	2021
	(In millions)		
Long-term debt — unaffiliated	\$ 653	\$ 583	\$ 590
Long-term debt — affiliated	45	37	47
Collateral financing arrangements	4	4	5
Junior subordinated debt securities	205	205	205
Total	\$ 907	\$ 829	\$ 847

See Notes 17 and 18 of the Notes to the Consolidated Financial Statements for information on the collateral financing arrangement and junior subordinated debt securities.

**MetLife, Inc.**

**Schedule II**

**Notes to the Condensed Financial Information — (continued)**

**(Parent Company Only)**

**5. Support Agreements**

MetLife, Inc. is party to various capital support commitments and guarantees with certain of its subsidiaries. Under these arrangements, MetLife, Inc. has agreed to cause each such entity to meet specified capital and surplus levels or has guaranteed certain contractual obligations.

MetLife, Inc. guarantees the obligations of MoRe under a retrocession agreement with RGA Reinsurance (Barbados) Inc., pursuant to which MoRe retrocedes a portion of the closed block liabilities associated with industrial life and ordinary life insurance policies that it assumed from MLIC.

MetLife, Inc. guarantees the obligations of MetLife Reinsurance Company of Bermuda, Ltd. (“MrB”), a Bermuda insurance affiliate and an indirect, wholly-owned subsidiary of MetLife, Inc. under a reinsurance agreement with a former affiliate that is now an unaffiliated third party, under which MrB reinsures certain variable annuity business written by such third party.

MetLife, Inc. guarantees the obligations of MrB in an aggregate amount up to \$1.0 billion, under a reinsurance agreement with MetLife Europe d.a.c., in respect of MrB’s reinsurance of the guaranteed living benefits and guaranteed death benefits associated with certain Unit-linked investments issued by MetLife Europe d.a.c.

MetLife, Inc., in connection with MRV’s reinsurance of certain universal life and term life insurance risks, committed to the Vermont Department of Banking, Insurance, Securities and Health Care Administration to take necessary action to cause the two protected cells of MRV to maintain total adjusted capital in an amount that is equal to or greater than 200% of each such protected cell’s authorized control level RBC, as defined in Vermont state insurance statutes.

MetLife, Inc., in connection with the collateral financing arrangement associated with MRC’s reinsurance of a portion of the liabilities associated with the closed block, committed to the South Carolina Department of Insurance to make capital contributions, if necessary, to MRC so that MRC may at all times maintain its total adjusted capital in an amount that is equal to or greater than 200% of the Company Action Level RBC, as defined in South Carolina state insurance statutes as in effect on the date of determination or December 31, 2007, whichever calculation produces the greater capital requirement, or as otherwise required by the South Carolina Department of Insurance. See Note 17 of the Notes to the Consolidated Financial Statements.

MetLife, Inc. guarantees obligations arising from OTC-bilateral derivatives of MrB. MrB is exposed to various risks relating to its ongoing business operations, including interest rate, foreign currency exchange rate, credit and equity market. MrB uses a variety of strategies to manage these risks, including the use of derivatives. Further, MrB’s derivatives are subject to industry standard netting agreements and collateral agreements that limit the unsecured portion of any open derivative position. On a net counterparty basis at December 31, 2023 and 2022, derivative transactions with positive mark-to-market values (in-the-money) were \$27 million and \$174 million, respectively, and derivative transactions with negative mark-to-market values (out-of-the-money) were \$191 million and \$181 million, respectively. To secure the obligations represented by the out-of-the-money transactions, MrB had provided collateral to its counterparties with an estimated fair value of \$183 million and \$181 million at December 31, 2023 and 2022, respectively. Accordingly, unsecured derivative liabilities guaranteed by MetLife, Inc. were \$8 million and \$0 at December 31, 2023 and 2022, respectively.

MetLife, Inc. also guarantees the obligations of certain of its subsidiaries under committed facilities with third-party banks. See Note 16 of the Notes to the Consolidated Financial Statements.

**MetLife, Inc.**

**Schedule III**

**Consolidated Supplementary Insurance Information  
December 31, 2023 and 2022**

**(In millions)**

<b>Segment</b>	<b>DAC and VOBA</b>	<b>Future Policy Benefits, Other Policy-Related Balances and Policyholder Dividend Obligation</b>	<b>Policyholder Account Balances</b>	<b>Market Risk Benefits (Assets) Liabilities (1)</b>	<b>Policyholder Dividends Payable</b>	<b>Unearned Premiums (2), (3)</b>	<b>Unearned Revenue (2)</b>
<b>2023</b>							
Group Benefits (4)	\$ 258	\$ 17,863	\$ 7,692	\$ —	\$ —	\$ 446	\$ —
RIS (4)	413	71,223	82,405	(13)	—	7	31
Asia	11,983	35,683	92,063	234	75	1,532	2,850
Latin America	2,447	14,636	6,368	—	—	2	989
EMEA	1,731	3,463	7,578	(53)	—	18	608
MetLife Holdings	3,289	72,410	23,178	2,722	311	155	59
Corporate & Other	30	864	(15)	3	—	—	—
<b>Total</b>	<b>\$20,151</b>	<b>\$ 216,142</b>	<b>\$ 219,269</b>	<b>\$ 2,893</b>	<b>\$ 386</b>	<b>\$ 2,160</b>	<b>\$ 4,537</b>
<b>2022</b>							
Group Benefits (4)	\$ 264	\$ 16,971	\$ 8,028	\$ —	\$ —	\$ 349	\$ —
RIS (4)	286	64,376	80,066	8	—	3	36
Asia	11,560	34,642	84,165	284	72	1,889	2,382
Latin America	2,087	13,426	5,383	—	—	2	848
EMEA	1,607	3,269	7,289	(37)	—	14	559
MetLife Holdings	3,819	71,914	25,688	3,225	315	158	281
Corporate & Other	30	1,048	(22)	3	—	—	—
<b>Total</b>	<b>\$19,653</b>	<b>\$ 205,646</b>	<b>\$ 210,597</b>	<b>\$ 3,483</b>	<b>\$ 387</b>	<b>\$ 2,415</b>	<b>\$ 4,106</b>

- (1) MRBs assets and liabilities are presented net.
- (2) Amounts are included within the future policy benefits, other policy-related balances and policyholder dividend obligation column.
- (3) Includes premiums received in advance.
- (4) See Note 2 for information on the reorganization of the Company's segments.

## MetLife, Inc.

## Schedule III

Consolidated Supplementary Insurance Information — (continued)  
Years Ended December 31, 2023, 2022 and 2021

(In millions)

Segment	Premiums and Universal Life and Investment-Type Product Policy Fees	Net Investment Income	Policyholder Benefits and Claims, Policyholder Liability Remeasurement (Gains) Losses and Interest Credited to Policyholder Account Balances	Market Risk Benefit Remeasurement (Gains) Losses	Amortization of DAC and VOBA Charged to Other Expenses	Other Expenses (1)
<b>2023</b>						
Group Benefits (2)	\$ 22,436	\$ 1,148	\$ 19,329	\$ —	\$ 26	\$ 3,778
RIS (2)	8,561	7,354	14,057	(29)	49	403
Asia	6,883	4,307	6,941	(43)	794	1,562
Latin America	5,685	1,610	4,801	—	468	1,263
EMEA	2,314	885	1,737	(40)	348	807
MetLife Holdings	3,513	4,234	5,517	(882)	258	1,527
Corporate & Other	43	370	23	—	9	2,040
Total	<u>\$ 49,435</u>	<u>\$ 19,908</u>	<u>\$ 52,405</u>	<u>\$ (994)</u>	<u>\$ 1,952</u>	<u>\$ 11,380</u>
<b>2022</b>						
Group Benefits (2)	\$ 21,906	\$ 1,081	\$ 19,226	\$ —	\$ 26	\$ 3,460
RIS (2)	13,923	5,899	18,124	(314)	40	380
Asia	7,256	3,571	6,199	(90)	745	1,601
Latin America	4,399	1,318	4,092	—	410	1,032
EMEA	2,298	(864)	30	(126)	331	778
MetLife Holdings	3,968	4,633	5,849	(3,144)	270	1,632
Corporate & Other	(15)	278	(5)	—	9	1,851
Total	<u>\$ 53,735</u>	<u>\$ 15,916</u>	<u>\$ 53,515</u>	<u>\$ (3,674)</u>	<u>\$ 1,831</u>	<u>\$ 10,734</u>
<b>2021</b>						
Group Benefits (2)	\$ 21,304	\$ 1,102	\$ 19,929	\$ —	\$ 26	\$ 3,158
RIS (2)	5,334	6,606	8,928	96	37	368
Asia	8,047	5,110	7,386	(48)	786	1,758
Latin America	3,749	1,207	3,475	—	372	978
EMEA	2,803	932	2,085	(120)	389	900
MetLife Holdings	4,256	6,093	6,097	(1,161)	320	1,845
Corporate & Other (3)	903	345	617	(4)	107	1,854
Total	<u>\$ 46,396</u>	<u>\$ 21,395</u>	<u>\$ 48,517</u>	<u>\$ (1,237)</u>	<u>\$ 2,037</u>	<u>\$ 10,861</u>

- (1) Includes other expenses and policyholder dividends, excluding amortization of DAC and VOBA charged to other expenses.
- (2) See Note 2 for information on the reorganization of the Company's segments.
- (3) Includes activity related to MetLife P&C, a former subsidiary of the Company, that was previously reported in the former U.S. segment. See Notes 2 and 3.



**MetLife, Inc.**  
**Schedule IV**  
**Consolidated Reinsurance**  
**December 31, 2023, 2022 and 2021**  
**(Dollars in millions)**

	<u>Gross Amount</u>	<u>Ceded</u>	<u>Assumed</u>	<u>Net Amount</u>	<u>% Amount Assumed to Net</u>
<b>2023</b>					
Life insurance in-force	\$ 5,627,777	\$ 473,860	\$ 829,720	\$ 5,983,637	13.9 %
Insurance premium					
Life insurance (1)	\$ 25,653	\$ 1,363	\$ 2,851	\$ 27,141	10.5 %
Accident & health insurance	17,589	824	261	17,026	1.5 %
Property and casualty insurance	117	1	—	116	— %
Total insurance premium	<u>\$ 43,359</u>	<u>\$ 2,188</u>	<u>\$ 3,112</u>	<u>\$ 44,283</u>	7.0 %
<b>2022</b>					
Life insurance in-force	\$ 5,371,318	\$ 390,521	\$ 647,646	\$ 5,628,443	11.5 %
Insurance premium					
Life insurance (1)	\$ 30,835	\$ 1,422	\$ 2,517	\$ 31,930	7.9 %
Accident & health insurance	16,737	715	518	16,540	3.1 %
Property and casualty insurance	46	6	—	40	— %
Total insurance premium	<u>\$ 47,618</u>	<u>\$ 2,143</u>	<u>\$ 3,035</u>	<u>\$ 48,510</u>	6.3 %
<b>2021</b>					
Life insurance in-force	\$ 5,273,869	\$ 394,023	\$ 662,901	\$ 5,542,747	12.0 %
Insurance premium					
Life insurance (1)	\$ 22,854	\$ 1,455	\$ 2,346	\$ 23,745	9.9 %
Accident & health insurance	16,613	651	555	16,517	3.4 %
Property and casualty insurance	910	28	8	890	0.9 %
Total insurance premium	<u>\$ 40,377</u>	<u>\$ 2,134</u>	<u>\$ 2,909</u>	<u>\$ 41,152</u>	7.1 %

(1) Includes annuities with life contingencies.

## **Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure**

None.

### **Item 9A. Controls and Procedures**

#### ***Evaluation of Disclosure Controls and Procedures***

The Company maintains disclosure controls and procedures as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act. The Company has designed these controls and procedures to ensure that information the Company is required to disclose in reports filed under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and is accumulated and communicated to Company management, including the CEO and CFO as appropriate, to allow timely decisions regarding required disclosure.

Management, including the CEO and CFO, evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Rule 13a-15(b) under the Exchange Act as of the end of the period covered by this Annual Report on Form 10-K. Based on that evaluation, the CEO and CFO concluded that the disclosure controls and procedures were effective as of December 31, 2023.

During the first quarter of 2023, MetLife adopted LDTI resulting in material changes to certain measurement models and disclosures for periodic results and balances related to long-duration insurance contracts. To address the additional requirements under LDTI, MetLife implemented changes to policies and processes for the estimation and disclosure of these periodic results and balances.

There were no changes to the Company's internal control over financial reporting as defined in Rule 13a-15(f) under the Exchange Act during the quarter ended December 31, 2023 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

#### ***Management's Annual Report on Internal Control Over Financial Reporting***

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act. In fulfilling this responsibility, management's estimates and judgments must assess the expected benefits and related costs of control procedures. The Company's internal control objectives include providing management with reasonable, but not absolute, assurance that the Company has safeguarded assets against loss from unauthorized use or disposition, and that the Company has executed transactions in accordance with management's authorization and recorded them properly to permit the preparation of consolidated financial statements in conformity with GAAP.

Management evaluated the design and operating effectiveness of the Company's internal control over financial reporting based on the criteria established in the *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In the opinion of management, MetLife, Inc. maintained effective internal control over financial reporting as of December 31, 2023.

Deloitte has issued its report on its audit of the effectiveness of internal control over financial reporting, which is set forth below.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of MetLife, Inc.

### Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of MetLife, Inc. and subsidiaries (the "Company") as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the financial statements as of and for the year ended December 31, 2023, of the Company and our report dated February 15, 2024, expressed an unqualified opinion on those financial statements.

### Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

### Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ DELOITTE & TOUCHE LLP  
New York, New York  
February 15, 2024

**Item 9B. Other Information**

***Securities trading plans***

During the three months ended December 31, 2023, the following Section 16 officers or directors (as defined in Rule 16a-1(f) of the Exchange Act) adopted or terminated a contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act or any “non-Rule 10b5-1 trading arrangement” (as defined in Section 408(c) of Regulation S-K):

Name & Title	Action	Date	Plans		Total amount of securities to be sold	Plan expiration date
			Rule 10b5-1	Non-Rule 10b5-1		
Ramy Tadros President, U.S. Business, of MetLife, Inc. and Head of MetLife Holdings	Adoption	December 13, 2023	X		4,026 shares of common stock	August 1, 2024

***Iran activity***

Pursuant to Section 13(r) of the Exchange Act, the Company is required to disclose in its periodic reports whether it or any of its affiliates knowingly conducted transactions or dealings with the Government of Iran, or any person or entity owned or controlled, directly or indirectly, by the Government of Iran or any of its subdivisions, agencies or instrumentalities (a “Government Related Entity”). The activities described below and reportable under Section 13(r) took place during the nine months ended September 30, 2023, and were reported in the Quarterly Reports on Form 10-Q for the second and third fiscal quarters of 2023 after they became known to management.

In the second quarter of 2023, a subsidiary of MetLife, Inc. issued group medical policies to (i) the Iranian Khadije Kobra School in Dubai, United Arab Emirates (“UAE”), an educational organization that appears to be owned or controlled, directly or indirectly, by a Government Related Entity, and (ii) the Directorate of Iranian Schools in the UAE, an educational organization that appears to be owned or controlled, directly or indirectly, by a Government Related Entity. The Company recorded in its consolidated financial statements for the year ended December 31, 2023 approximately \$78 thousand of premiums related to these policies that were received during the year ended December 31, 2023. The Company paid approximately seven thousand dollars in claims under these policies during the year ended December 31, 2023.

In the third quarter of 2023, after further investigation, the Company determined that two former policyholders, (i) the Al Adab Iranian Private School for Boys in Dubai, UAE (“Al Adab”), and (ii) the Iranian Towheed Boys School in Dubai, UAE (“Iranian Towheed”), may be owned or controlled, directly or indirectly, by a Government Related Entity. A subsidiary of MetLife, Inc. issued two group insurance policies to Al Adab in March 2021 and two group medical policies and one group life insurance policy to Iranian Towheed in March 2022, all of which terminated in March 2023 in accordance with their terms. The Company did not receive any premiums and paid approximately \$84 thousand in claims under these policies during the year ended December 31, 2023.

In each case, the Company does not intend to continue any services related to or involving the policies. The Company has investigated the circumstances of the issuance of each policy. The Company does not intend to conduct any transactions or dealings with a Government Related Entity not authorized by a U.S. federal department or agency.

**Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections**

Not applicable.

**Part III**

**Item 10. Directors, Executive Officers and Corporate Governance**

The information called for by this Item pertaining to Directors is incorporated herein by reference to the following sections in MetLife, Inc.’s definitive proxy statement for the Annual Meeting of Shareholders to be held on June 18, 2024, to be filed by MetLife, Inc. with the SEC pursuant to Regulation 14A within 120 days after the year ended December 31, 2023 (the “2024 Proxy Statement”):

- “Proxy Statement Summary — Corporate Governance Highlights — Experienced and Diverse Board”;

- “Corporate Governance — Proposal 1 — Election of Directors for a One-Year Term Ending at the 2025 Annual Meeting of Shareholders — Director Nominees”;
- “Corporate Governance — Proposal 1 — Election of Directors for a One-Year Term Ending at the 2025 Annual Meeting of Shareholders — Information About the Board of Directors – Board Committees”;
- “Security Ownership Information — Delinquent Section 16(a) Reports”; and
- “Other Information — Additional Information — 2025 Annual Meeting Shareholder Proposals and Nominations Deadline.”

The information called for by this Item pertaining to Executive Officers appears in “Business — Information About Our Executive Officers” in this Annual Report on Form 10-K.

The Company has adopted the Financial Management Code of Business Ethics (the “Financial Management Code”), a “code of ethics” as defined under the rules of the SEC, that applies to MetLife, Inc.’s CEO, CFO, Chief Accounting Officer and all professionals in finance and finance-related departments. In addition, the Company has adopted the Directors’ Code of Business Ethics (the “Directors’ Code”) which applies to all members of Board of Directors, including the CEO, who is a member of the Board, and the Code of Business Ethics, which applies to all employees of the Company, including MetLife, Inc.’s CEO, CFO and Chief Accounting Officer. These codes are available on the Company’s website at [www.metlife.com/about-us/corporate-governance/corporate-conduct/](http://www.metlife.com/about-us/corporate-governance/corporate-conduct/) by selecting “Codes of Conduct” under “Reports.” The Company intends to satisfy any disclosure obligations under Item 5.05 of Form 8-K by posting information on the Company’s website at the address given above.

#### **Item 11. Executive Compensation**

The information called for by this Item is incorporated herein by reference to the following sections in the 2024 Proxy Statement:

- “Corporate Governance — Proposal 1 — Election of Directors for a One-Year Term Ending at the 2025 Annual Meeting of Shareholders – Information About the Board of Directors – Board Committees”;
- “Corporate Governance — Proposal 1 — Election of Directors for a One-Year Term Ending at the 2025 Annual Meeting of Shareholders — Compensation Committee Interlocks and Insider Participation”;
- “Corporate Governance — Proposal 1 — Election of Directors for a One-Year Term Ending at the 2025 Annual Meeting of Shareholders — Director Compensation in 2023”;
- “Executive Compensation — Proposal 3 — Advisory Vote to Approve the Compensation Paid to the Company’s Named Executive Officers” other than the disclosures under the heading “Pay versus Performance” responsive to Item 402(v) of Regulation S-K”;
- “Executive Compensation – Pay Ratio”;
- “Appendix A — Compensation Discussion and Analysis Supplementary Information”; and
- “Appendix B — Non-GAAP and Other Financial Disclosures.”

#### **Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

The information called for by this Item pertaining to ownership of shares of MetLife, Inc.’s common stock (“Shares”) is incorporated herein by reference in the 2024 Proxy Statement to the following sections:

- “Security Ownership Information — Security Ownership of Directors and Executive Officers”; and
- “Security Ownership Information — Security Ownership of Certain Beneficial Owners.”

The following table provides information at December 31, 2023, regarding MetLife, Inc.’s equity compensation plans:

**Equity Compensation Plan Information at December 31, 2023**

<b>Plan Category</b>	<b>Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (1)</b>	<b>Weighted-average Exercise Price of Outstanding Options, Warrants and Rights (2)</b>	<b>Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (3)</b>
<b>Plan Category</b>	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
Equity compensation plans approved by security holders	11,439,989	\$ 52.04	32,047,017
Equity compensation plans not approved by security holders	None	—	None
<b>Total</b>	<b>11,439,989</b>	<b>\$ 52.04</b>	<b>32,047,017</b>

(1) Column (a) reflects the following items outstanding as of December 31, 2023:

Stock Options	3,500,006
Restricted Stock Units	1,849,617
Performance Shares (assuming future payout at maximum performance factor)	5,098,621
Deferred Shares	991,745
<b>Shares that will or may be issued</b>	<b>11,439,989</b>

As of December 31, 2023:

- Stock Options under the MetLife, Inc. 2015 Stock and Incentive Compensation Plan (the “2015 Stock Plan”) and its predecessor plan, the MetLife, Inc. 2005 Stock and Incentive Compensation Plan (the “2005 Stock Plan”) were outstanding;
- Restricted Stock Units and Performance Shares under the 2015 Stock Plan were outstanding; and
- Deferred Shares related to awards under the 2015 Stock Plan, MetLife, Inc. 2015 Non-Management Directors Stock Compensation Plan (the “2015 Director Stock Plan”), 2005 Stock Plan, MetLife, Inc. 2005 Non-Management Directors Stock Compensation Plan (the “2005 Director Stock Plan”), and earlier plans, were outstanding. Deferred Shares are related to awards that have become payable in Shares under any plan, the issuance of which has been deferred.

The maximum performance factor for Performance Shares granted in 2015 through 2023 was 175%. The number of Performance Shares outstanding as of December 31, 2023 at target (100%) performance factor was 2,913,498.

MetLife, Inc. may issue Shares pursuant to awards (including Stock Option exercises, if any) under any plan using Shares held in treasury by MetLife, Inc. or by issuing new Shares.

For a general description of how the number of Shares paid out on account of Performance Shares and Restricted Stock Units is determined, and the vesting periods applicable to Performance Shares and Restricted Stock Units, see Note 19 of the Notes to the Consolidated Financial Statements.

- (2) Column (b) reflects the weighted average exercise price of all Stock Options under any plan that, as of December 31, 2023, had been granted but not forfeited, expired, or exercised. Performance Shares, Restricted Stock Units, and Deferred Shares are not included in determining the weighted average in column (b) because they have no exercise price.
- (3) Column (c) reflects the following items outstanding as of December 31, 2023:

	<b>Number of Shares</b>
At January 15, 2015, the effective date of the 2015 Stock Plan and 2015 Director Stock Plan:	
Shares newly authorized for issuance under the 2015 Stock Plan	11,750,000
Shares remaining authorized for issuance under the 2005 Stock Plan or other plans that were not covered by awards (i)	18,023,959
Shares authorized for issuance under the 2015 Director Stock Plan (ii)	1,642,208
Net shares added to the 2015 Stock Plan and 2015 Director Stock Plan authorizations in light of the Separation (iii)	3,979,727
Total Shares authorized for issuance at January 1, 2015 and net shares added in light of the Separation	35,395,894
Additional Shares recovered for issuance (iv) in:	
2015 - 2022	33,895,251
2023	1,875,434
Total Shares recovered for issuance since January 1, 2015	35,770,685
Less: Shares covered by new awards and new imputed reinvested dividends on Deferred Shares (v) in:	
2015 - 2022	35,935,295
2023	3,184,267
Total Shares covered by new awards and new imputed reinvested dividends on Deferred Shares since January 1, 2015	39,119,562
Shares remaining available for future issuance under the 2015 Stock Plan and 2015 Director Stock Plan	<u>32,047,017</u>

- (i) Consists of Shares that were not covered by awards, including Shares previously covered by awards but recovered due to forfeiture of awards or other reasons and once again available for issuance.
- (ii) Consists of Shares remaining authorized for issuance under the predecessor plan, the 2005 Director Stock Plan, that were not covered by awards, including Shares previously covered by awards but recovered due to forfeiture of awards or other reasons and once again available.
- (iii) In 2017, MetLife, Inc. completed the separation of Brighthouse through a distribution of shares of Brighthouse Financial, Inc. common stock to the MetLife, Inc. common shareholders (the “Separation”). In light of the Separation, and in order to maintain the Share authorizations under each plan at the levels that shareholders had approved, MetLife, Inc. increased the number of Shares authorized for issuance under the 2015 Stock Plan and 2015 Director Stock Plan as of August 4, 2017, excluding those Shares from the authorizations that had already been issued, by the Adjustment Ratio. MetLife, Inc. also increased the number of Shares covered by outstanding Stock Options, Performance Shares, Restricted Stock Units, and Deferred Shares on that date by the Adjustment Ratio, in order to maintain the intrinsic value of those awards and Deferred Shares, which decreased the number of Shares available for issuance under both plans. The amount in this row is the net increase in the Share authorization under both the 2015 Stock Plan and 2015 Director Stock Plan as a result of these adjustments. For a description of the adjustment to Stock Options, Performance Shares, Restricted Stock Units, and Deferred Shares, see Note 19 of the Notes to the Consolidated Financial Statements.
- (iv) Consists of Shares utilized under the 2005 Stock Plan or 2015 Stock Plan that were recovered during each of the indicated calendar years, and therefore once again available for issuance, due to: (i) termination of the award by expiration, forfeiture, cancellation, lapse, or otherwise without issuing Shares; (ii) settlement of the award in cash either in lieu of Shares or otherwise; (iii) exchange of the award for awards not involving Shares; (iv) payment of the exercise price of a Stock Option, or the tax withholding requirements with respect to an award, satisfied by tendering Shares to MetLife, Inc. (by either actual delivery or by attestation); (v) satisfaction of tax withholding requirements with respect to an award satisfied by MetLife, Inc. withholding Shares otherwise issuable; and (vi) the payout of Performance Shares at any performance factor less than the maximum performance factor.
- (v) Consists of Shares covered by awards granted under the 2015 Stock Plan (including Performance Shares assuming future payout at maximum performance factor). Shares covered by awards granted under the 2015 Directors Stock Plan and Shares covered by imputed reinvested dividends credited on Deferred Shares owed to directors, employees or agents, in each case during each of the indicated calendar years.

Each Share MetLife, Inc. issues in connection with awards granted under the 2005 Stock Plan other than Stock Options or Stock Appreciation Rights (such as Shares payable on account of Performance Shares or Restricted Stock Units under that plan, including any Deferred Shares resulting from such awards) reduces the number of Shares remaining for issuance by 1.179 (“2005 Stock Plan Share Award Ratio”). Each Share MetLife, Inc. issues in connection with a Stock Option or Stock Appreciation Right granted under the 2005 Stock Plan, or in connection with any award under any other plan for employees and agents (including any Deferred Shares resulting from such awards), reduces the number of Shares remaining for issuance by 1.0 (“Standard Award Ratio”). Shares related to awards that are recovered, and therefore authorized for issuance under the 2015 Stock Plan, are recovered with consideration of the 2005 Stock Plan Share Award Ratio and Standard Award Ratio, as applicable. Each Share MetLife, Inc. issues under the 2005 Director Stock Plan or 2015 Director Stock Plan (including any Deferred Shares resulting from such awards) reduces the number of Shares remaining for issuance under that plan by one. Shares related to awards that are recovered, and therefore authorized for issuance under the 2015 Director Stock Plan are recovered with consideration of this ratio. If MetLife, Inc. was to grant a Share-settled Stock Appreciation Right under the 2015 Stock Plan and the award holder exercised it, only the number of Shares MetLife, Inc. issued, net of the Shares tendered, if any, would be deemed delivered for purposes of determining the maximum number of Shares MetLife, Inc. may issue under the 2015 Stock Plan.

Any Shares covered by awards under the 2015 Director Stock Plan that were to be recovered due to (i) termination of the award by expiration, forfeiture, cancellation, lapse, or otherwise without issuing Shares; (ii) settlement of the award in cash either in lieu of Shares or otherwise; (iii) exchange of the award for awards not involving Shares; and (iv) payment of the exercise price of a Stock Option, or the tax withholding requirements with respect to an award, satisfied by tendering Shares to MetLife, Inc. (by either actual delivery or by attestation) would be available to be issued under the 2015 Director Stock Plan. In addition, if MetLife, Inc. was to grant a Share-settled Stock Appreciation Right under the 2015 Director Stock Plan, only the number of Shares issued, net of the Shares tendered, if any, would be deemed delivered for purposes of determining the maximum number of Shares available for issuance under the 2015 Director Stock Plan.

Under both the 2015 Stock Plan and the 2015 Director Stock Plan, in the event of a corporate event or transaction (including, but not limited to, a change in the Shares or the capitalization of MetLife) such as a merger, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off, or other distribution of stock or property of MetLife, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to shareholders of MetLife, or any similar corporate event or transaction, the appropriate committee of the Board of Directors of MetLife, in order to prevent dilution or enlargement of participants’ rights under the applicable plan, shall substitute or adjust, as applicable, the number and kind of Shares that may be issued under that plan and shall adjust the number and kind of Shares subject to outstanding awards. Any Shares related to awards under either plan which: (i) terminate by expiration, forfeiture, cancellation, or otherwise without the issuance of Shares; (ii) are settled in cash either in lieu of Shares or otherwise; or (iii) are exchanged with the appropriate committee’s permission for awards not involving Shares, are available again for grant under the applicable plan. If the option price of any Stock Option granted under either plan or the tax withholding requirements with respect to any award granted under either plan is satisfied by tendering Shares to MetLife (by either actual delivery or by attestation), or if a Stock Appreciation Right is exercised, only the number of Shares issued, net of the Shares tendered, if any, will be deemed delivered for purposes of determining the maximum number of Shares available for issuance under that plan. The maximum number of Shares available for issuance under either plan shall not be reduced to reflect any dividends or dividend equivalents that are reinvested into additional Shares or credited as additional Restricted Stock or Restricted Stock Units.

For a description of the kinds of awards that have been or may be made under the 2015 Stock Plan and 2015 Director Stock Plan and awards that remained outstanding under the 2005 Stock Plan, see Note 19 of the Notes to the Consolidated Financial Statements.

### **Item 13. Certain Relationships and Related Transactions, and Director Independence**

The information called for by this Item is incorporated herein by reference to the following sections in the 2024 Proxy Statement:

- “Corporate Governance — Proposal 1 — Election of Directors for a One-Year Term Ending at the 2025 Annual Meeting of Shareholders — Information About the Board of Directors — Procedures for Reviewing Related Person Transactions”;
- “Corporate Governance — Proposal 1 — Election of Directors for a One-Year Term Ending at the 2025 Annual Meeting of Shareholders — Information About the Board of Directors — Related Person Transactions”; and



- “Corporate Governance — Proposal 1 — Election of Directors for a One-Year Term Ending at the 2025 Annual Meeting of Shareholders — Information About the Board of Directors — Board Composition — Independent Oversight of Management.”

**Item 14. Principal Accountant Fees and Services**

The information called for by this Item is incorporated herein by reference to the section entitled “Audit Matters — Proposal 2 — Ratification of Appointment of the Independent Auditor” in the 2024 Proxy Statement.

**Part IV**

**Item 15. Exhibits and Financial Statement Schedules**

The following documents are filed as part of this report:

1. Financial Statements

The financial statements are listed in the Index to Consolidated Financial Statements, Notes and Schedules on page 129.

2. Financial Statement Schedules

The financial statement schedules are listed in the Index to Consolidated Financial Statements, Notes and Schedules on page 129.

3. Exhibits

The exhibits are listed in the Exhibit Index which begins on page 339.

**Item 16. Form 10-K Summary**

None.

**Exhibit Index**

*(Note Regarding Reliance on Statements in Our Contracts: In reviewing the agreements included as exhibits to this Annual Report on Form 10-K, please remember that they are included to provide you with information regarding their terms and are not intended to provide any other factual or disclosure information about MetLife, Inc., its subsidiaries or affiliates, or the other parties to the agreements. The agreements contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties have been made solely for the benefit of the other parties to the applicable agreement and (i) should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate; (ii) have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement; (iii) may apply standards of materiality in a way that is different from what may be viewed as material to investors; and (iv) were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments. Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time. Additional information about MetLife, Inc., its subsidiaries and affiliates may be found elsewhere in this Annual Report on Form 10-K and MetLife, Inc.'s other public filings, which are available without charge through the U.S. Securities and Exchange Commission website at [www.sec.gov](http://www.sec.gov).)*

<b>Exhibit No.</b>	<b>Description</b>	<b>Incorporated By Reference</b>				<b>Filed or Furnished Herewith</b>
		<b>Form</b>	<b>File Number</b>	<b>Exhibit</b>	<b>Filing Date</b>	
2.1	<a href="#">Plan of Reorganization.</a>	S-1	333-91517	2.1	November 23, 1999	
2.2	<a href="#">Amendment to Plan of Reorganization, dated as of March 9, 2000.</a>	S-1/A	333-91517	2.2	March 29, 2000	
2.3	<a href="#">Master Separation Agreement, dated August 4, 2017, between MetLife, Inc. and Brighthouse Financial, Inc.</a>	8-K	001-15787	2.1	August 7, 2017	
3.1.1	<a href="#">Amended and Restated Certificate of Incorporation of MetLife, Inc.</a>	10-K	001-15787	3.1	March 1, 2017	
3.1.2	<a href="#">Certificate of Retirement of Series B Contingent Convertible Junior Participating Non-Cumulative Perpetual Preferred Stock of MetLife, Inc., filed with the Secretary of State of Delaware on November 5, 2013.</a>	10-Q	001-15787	3.6	November 7, 2013	
3.1.3	<a href="#">Certificate of Amendment of Amended and Restated Certificate of Incorporation of MetLife, Inc., dated April 29, 2015.</a>	8-K	001-15787	3.1	April 30, 2015	
3.1.4	<a href="#">Certificate of Elimination of 6.500% Non-Cumulative Preferred Stock, Series B, of MetLife, Inc., filed with the Secretary of State of Delaware on November 3, 2015.</a>	10-Q	001-15787	3.7	November 5, 2015	
3.1.5	<a href="#">Certificate of Amendment of Amended and Restated Certificate of Incorporation of MetLife, Inc., dated April 29, 2011.</a>	10-K	001-15787	3.4	March 1, 2017	
3.1.6	<a href="#">Certificate of Designation, Preferences and Rights of Series A Junior Participating Preferred Stock of MetLife, Inc., filed with the Secretary of State of Delaware on April 7, 2000.</a>	10-K	001-15787	3.2	March 1, 2017	
3.1.7	<a href="#">Certificate of Designations of Floating Rate Non-Cumulative Preferred Stock, Series A, of MetLife, Inc., filed with the Secretary of State of Delaware on June 10, 2005.</a>	10-K	001-15787	3.3	March 1, 2017	
3.1.8	<a href="#">Certificate of Amendment of Amended and Restated Certificate of Incorporation of MetLife, Inc., dated October 23, 2017.</a>	8-K	001-15787	3.1	October 24, 2017	
3.1.9	<a href="#">Certificate of Designations of 5.875% Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series D, of MetLife, Inc., filed with the Secretary of State of Delaware on March 21, 2018.</a>	8-K	001-15787	3.1	March 22, 2018	
3.1.10	<a href="#">Certificate of Designations of 5.625% Non-Cumulative Preferred Stock, Series E, of MetLife, Inc., filed with the Secretary of the State of Delaware on May 31, 2018.</a>	8-K	001-15787	3.1	June 4, 2018	

[Table of Contents](#)

<b>Exhibit No.</b>	<b>Description</b>	<b>Incorporated By Reference</b>				<b>Filed or Furnished Herewith</b>
		<b>Form</b>	<b>File Number</b>	<b>Exhibit</b>	<b>Filing Date</b>	
3.1.11	<a href="#">Certificate of Designations of 4.75% Non-Cumulative Preferred Stock, Series F, of MetLife, Inc., filed with the Secretary of the State of Delaware on January 8, 2020.</a>	8-K	001-15787	3.1	January 9, 2020	
3.1.12	<a href="#">Certificate of Designations of 3.850% Fixed Rate Reset Non-Cumulative Preferred Stock, Series G, of MetLife, Inc., filed with the Secretary of the State of Delaware on September 9, 2020.</a>	8-K	001-15787	3.1	September 10, 2020	
3.1.13	<a href="#">Certificate of Elimination of 5.250% Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series C, of MetLife, Inc., filed with the Secretary of State of Delaware on June 29, 2021.</a>	8-K	001-15787	3.1	June 29, 2021	
3.2	<a href="#">Amended and Restated By-Laws of MetLife, Inc., effective October 3, 2023.</a>	8-K	001-15787	3.2	October 5, 2023	
4.1	<a href="#">Form of Certificate for Common Stock, par value \$0.01 per share.</a>	S-1/A	333-91517	4.1	March 9, 2000	
4.2	<a href="#">Certificate of Designation, Preferences and Rights of Series A Junior Participating Preferred Stock of MetLife, Inc., filed with the Secretary of State of Delaware on April 7, 2000.</a> (See Exhibit 3.1.6 above).					
4.3	<a href="#">Certificate of Designations of Floating Rate Non-Cumulative Preferred Stock, Series A, of MetLife, Inc., filed with the Secretary of State of Delaware on June 10, 2005.</a> (See Exhibit 3.1.7 above).					
4.4	<a href="#">Form of Stock Certificate, Floating Rate Non-Cumulative Preferred Stock, Series A, of MetLife, Inc.</a>	8-A	001-15787	99.6	June 10, 2005	
4.5	<a href="#">Certificate of Amendment of Amended and Restated Certificate of Incorporation of MetLife, Inc., dated October 23, 2017.</a> (See Exhibit 3.1.8 above).					
4.6	<a href="#">Certificate of Designations of 5.875% Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series D, of MetLife, Inc., filed with the Secretary of State of Delaware on March 21, 2018.</a> (See Exhibit 3.1.9 above).					
4.7	<a href="#">Form of Stock Certificate, 5.875% Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series D, of MetLife, Inc.</a>	8-K	001-15787	4.1	March 22, 2018	
4.8	<a href="#">Certificate of Designations of 5.625% Non-Cumulative Preferred Stock, Series E, of MetLife, Inc., filed with the Secretary of the State of Delaware on May 31, 2018.</a> (See Exhibit 3.1.10 above).					
4.9	<a href="#">Form of Stock Certificate, 5.625% Non-Cumulative Preferred Stock, Series E, of MetLife, Inc.</a>	8-K	001-15787	4.1	June 4, 2018	
4.10	<a href="#">Deposit Agreement, dated June 4, 2018, among MetLife, Inc., Computershare Inc. and Computershare Trust Company, N.A., as depositary, and the holders from time to time of the depositary receipts described therein.</a>	8-K	001-15787	4.2	June 4, 2018	
4.11	<a href="#">Form of Depositary Receipt, Depositary Shares each representing a 1/1,000th interest in a share of 5.625% Non-Cumulative Preferred Stock, Series E, of MetLife, Inc.</a>	8-K	001-15787	4.3	June 4, 2018	
4.12	<a href="#">Certificate of Designations of 4.75% Non-Cumulative Preferred Stock, Series F, of MetLife, Inc., filed with the Secretary of the State of Delaware on January 8, 2020.</a> (See Exhibit 3.1.11 above).					
4.13	<a href="#">Form of Stock Certificate, 4.75% Non-Cumulative Preferred Stock, Series F, of MetLife, Inc.</a>	8-K	001-15787	4.1	January 9, 2020	
4.14	<a href="#">Certificate of Designations of 3.850% Fixed Rate Reset Non-Cumulative Preferred Stock, Series G, of MetLife, Inc., filed with the Secretary of the State of Delaware on September 9, 2020.</a> (See Exhibit 3.1.12 above).					
4.15	<a href="#">Form of Stock Certificate, 3.850% Fixed Rate Reset Non-Cumulative Preferred Stock, Series G, of MetLife, Inc.</a>	8-K	001-15787	4.1	September 10, 2020	

Table of Contents

Exhibit No.	Description	Incorporated By Reference				Filed or Furnished Herewith
		Form	File Number	Exhibit	Filing Date	
4.16	<a href="#">Deposit Agreement, dated January 15, 2020, among MetLife, Inc., Computershare Inc. and Computershare Trust Company, N.A., collectively, as depository, and the holders from time to time of the depository receipts described therein.</a>	8-K	001-15787	4.1	January 15, 2020	
4.17	<a href="#">Form of Depositary Receipt, Depositary Shares each representing a 1/1,000th interest in a share of 4.75% Non-Cumulative Preferred Stock, Series F, of MetLife, Inc.</a>	8-K	001-15787	4.3	January 15, 2020	
4.18	<a href="#">Description of Securities.</a>					X
	Certain instruments defining the rights of holders of long-term debt of MetLife, Inc. and its consolidated subsidiaries are omitted pursuant to Item 601(b)(4)(iii) of Regulation S-K. MetLife, Inc. hereby agrees to furnish to the Securities and Exchange Commission, upon request, copies of such instruments.					
10.1.1	<a href="#">MetLife Policyholder Trust Agreement.</a>	S-1	333-91517	10.12	November 23, 1999	
10.1.2	<a href="#">Amendment to MetLife Policyholder Trust Agreement.</a>	10-K	001-15787	10.62	February 27, 2013	
10.2	<a href="#">Amended and Restated Credit Agreement, dated as of May 8, 2023, among MetLife, Inc. and MetLife Funding, Inc., as borrowers, and the other parties signatory thereto.</a>	8-K	001-15787	10.1	May 9, 2023	
10.3	<a href="#">Purchase Agreement by and among MetLife, Inc. and Massachusetts Mutual Life Insurance Company, dated as of February 28, 2016.</a>	10-Q	001-15787	10.1	May 6, 2016	
10.4	<a href="#">Tax Separation Agreement, dated as of July 27, 2017, by and among MetLife, Inc. and its affiliates and Brighthouse Financial, Inc. and its affiliates.</a>	8-K	001-15787	10.1	August 7, 2017	
10.5	<a href="#">MetLife, Inc. 2015 Non-Management Director Stock Compensation Plan, effective January 1, 2015.*</a>	S-8	333-198141	4.1	August 14, 2014	
10.6.1	<a href="#">MetLife Non-Management Director Deferred Compensation Plan (as amended and restated, effective January 1, 2005, implemented November 2012).*</a>	S-8	333-214710	4.1	November 18, 2016	
10.6.2	<a href="#">Amendment to MetLife Non-Management Director Deferred Compensation Plan (as amended and restated, effective January 1, 2005, implemented November 2020).*</a>	10-K	001-15787	10.6.2	February 19, 2021	
10.7	<a href="#">MetLife, Inc. Director Indemnity Plan (dated and effective July 22, 2008).*</a>	10-K	001-15787	10.94	February 27, 2014	
10.8.1	<a href="#">Form of Agreement to Protect Corporate Property executed by Michel Khalaf, effective April 9, 2012.*</a>	10-K	001-15787	10.15	February 25, 2016	
10.8.2	<a href="#">Form of Agreement to Protect Corporate Property executed by Ricardo A. Anzaldúa, John C. R. Hele, Frans Hijkoop, and Esther Lee on May 25, 2016; Steven A. Kandarian on May 31, 2016; Steven J. Goulart on June 2, 2016; Maria M. Morris on June 8, 2016; Martin J. Lippert on July 6, 2016; Susan Podlogar, effective July 10, 2017; and Ramy Tadros, effective September 11, 2017.*</a>	10-Q	001-15787	10.1	August 5, 2016	
10.9	<a href="#">MetLife Executive Severance Plan (as amended and restated, effective June 14, 2010).*</a>	10-K	001-15787	10.1	February 27, 2015	
10.10	<a href="#">MetLife Performance-Based Compensation Recoupment Policy (effective as amended and restated December 1, 2023).*</a>					X
10.11.1	<a href="#">MetLife, Inc. 2015 Stock and Incentive Compensation Plan, effective January 1, 2015 (the “2015 SIC Plan”).*</a>	S-8	333-198145	4.1	August 14, 2014	
10.11.2	<a href="#">MetLife, Inc. 2005 Stock and Incentive Compensation Plan, effective April 15, 2005 (the “2005 SIC Plan”).*</a>	10-K	001-15787	10.24	February 27, 2015	
10.12	<a href="#">MetLife Annual Variable Incentive Plan (effective as amended and restated January 1, 2015).*</a>	8-K	001-15787	10.11	December 11, 2014	

Exhibit No.	Description	Incorporated By Reference				Filed or Furnished Herewith
		Form	File Number	Exhibit	Filing Date	
10.13.1	<a href="#">MetLife International Unit Option Incentive Plan (as amended and restated December 3, 2012).*</a>	8-K	001-15787	10.11	February 15, 2013	
10.13.2	<a href="#">MetLife International Unit Option Incentive Plan, dated July 21, 2011 (as amended and restated effective February 23, 2011).*</a>	10-K	001-15787	10.24	March 1, 2017	
10.14.1	<a href="#">Form of Stock Option Agreement under the 2005 SIC Plan effective February 11, 2013.*</a>	8-K	001-15787	10.9	February 15, 2013	
10.14.2	<a href="#">Form of Stock Option Agreement (Three-Year “Cliff” Exercisability) under the 2005 SIC Plan effective February 11, 2013.*</a>	8-K	001-15787	10.10	February 15, 2013	
10.14.3	<a href="#">Form of Management Stock Option Agreement under the 2005 SIC Plan effective as of April 25, 2007.*</a>	10-K	001-15787	10.24	February 27, 2013	
10.14.4	<a href="#">Amendment to Stock Option Agreements under the 2005 SIC Plan effective as of April 25, 2007.*</a>	10-K	001-15787	10.25	February 27, 2013	
10.14.5	<a href="#">Form of Stock Option Agreement (Ratable Exercisability in Thirds) under the 2015 SIC Plan, effective January 1, 2015.*</a>	8-K	001-15787	10.7	December 11, 2014	
10.14.6	<a href="#">Form of Stock Option Agreement (Three-Year “Cliff” Exercisability) under the 2015 SIC Plan, effective January 1, 2015.*</a>	8-K	001-15787	10.8	December 11, 2014	
10.14.7	<a href="#">Form of Management Stock Option Agreement under the 2005 SIC Plan effective December 15, 2009.*</a>	10-K	001-15787	10.28	February 27, 2015	
10.14.8	<a href="#">Form of Stock Option Agreement (Ratable Exercisability in Thirds) under the 2015 SIC Plan, effective January 1, 2016.*</a>	10-K	001-15787	10.101	February 25, 2016	
10.14.9	<a href="#">Form of Stock Option Agreement (Three-Year “Cliff” Exercisability) under the 2015 SIC Plan, effective January 1, 2016.*</a>	10-K	001-15787	10.102	February 25, 2016	
10.15.1	<a href="#">Form of Unit Option Agreement under the MetLife International Unit Option Incentive Plan effective February 11, 2013.*</a>	8-K	001-15787	10.12	February 15, 2013	
10.15.2	<a href="#">Form of Unit Option Agreement (Three-Year “Cliff” Exercisability) under the MetLife International Unit Option Incentive Plan, effective February 11, 2013.*</a>	8-K	001-15787	10.13	February 15, 2013	
10.15.3	<a href="#">Form of Unit Option Agreement (Ratable Exercisability in Thirds) under the 2015 SIC Plan, effective January 1, 2015.*</a>	8-K	001-15787	10.9	December 11, 2014	
10.15.4	<a href="#">Form of Unit Option Agreement (Three-Year “Cliff” Exercisability) under the 2015 SIC Plan, effective January 1, 2015.*</a>	8-K	001-15787	10.10	December 11, 2014	
10.15.5	<a href="#">Form of Unit Option Agreement (Ratable Exercisability in Thirds) under the 2015 SIC Plan, effective January 1, 2016.*</a>	10-K	001-15787	10.103	February 25, 2016	
10.15.6	<a href="#">Form of Unit Option Agreement (Three-Year “Cliff” Exercisability) under the 2015 SIC Plan, effective January 1, 2016.*</a>	10-K	001-15787	10.104	February 25, 2016	
10.15.7	<a href="#">Form of Unit Option Agreement under the MetLife International Unit Option Incentive Plan effective February 23, 2011.*</a>	10-K	001-15787	10.25	March 1, 2017	
10.16.1	<a href="#">Form of Restricted Stock Unit Agreement (Ratable Period of Restriction Ends in Thirds; Code Section 162(m) Goals) under the 2015 SIC Plan, effective January 1, 2016.*</a>	10-K	001-15787	10.97	February 25, 2016	
10.16.2	<a href="#">Form of Restricted Stock Unit Agreement (Three-Year “Cliff” Period of Restriction; No Code Section 162(m) Goals) under the 2015 SIC Plan, effective January 1, 2016.*</a>	10-K	001-15787	10.98	February 25, 2016	
10.16.3	<a href="#">Form of Restricted Stock Unit Agreement (Ratable Period of Restriction Ends in Thirds) under the 2015 SIC Plan, effective February 27, 2018.*</a>	8-K	001-15787	10.3	February 20, 2018	

[Table of Contents](#)

<b>Exhibit No.</b>	<b>Description</b>	<b>Incorporated By Reference</b>				<b>Filed or Furnished Herewith</b>
		<b>Form</b>	<b>File Number</b>	<b>Exhibit</b>	<b>Filing Date</b>	
10.16.4	<a href="#">Form of Restricted Stock Unit Agreement (Three-Year “Cliff” Period of Restriction) under the 2015 SIC Plan, effective February 27, 2018.*</a>	8-K	001-15787	10.4	February 20, 2018	
10.17.1	<a href="#">Form of Restricted Unit Agreement (Ratable Period of Restriction Ends in Thirds; Code Section 162(m) Goals) under the 2015 SIC Plan, effective January 1, 2016.*</a>	10-K	001-15787	10.99	February 25, 2016	
10.17.2	<a href="#">Form of Restricted Unit Agreement (Three-Year “Cliff” Period of Restriction; No Code Section 162(m) Goals) under the 2015 SIC Plan, effective January 1, 2016.*</a>	10-K	001-15787	10.100	February 25, 2016	
10.17.3	<a href="#">Form of Restricted Unit Agreement (Ratable Period of Restriction Ends in Thirds) under the 2015 SIC Plan, effective February 27, 2018.*</a>	8-K	001-15787	10.5	February 20, 2018	
10.17.4	<a href="#">Form of Restricted Unit Agreement (Three-Year “Cliff” Period of Restriction) under the 2015 SIC Plan, effective February 27, 2018.*</a>	8-K	001-15787	10.6	February 20, 2018	
10.18.1	<a href="#">Form of Performance Share Agreement under the 2015 SIC Plan, effective January 1, 2016.*</a>	10-K	001-15787	10.95	February 25, 2016	
10.18.2	<a href="#">Form of Performance Share Agreement under the 2015 SIC Plan, effective February 27, 2018.*</a>	8-K	001-15787	10.1	February 20, 2018	
10.18.3	<a href="#">Form of Performance Share Agreement under the 2015 SIC Plan, effective January 1, 2019.*</a>	8-K	001-15787	10.1	December 13, 2018	
10.18.4	<a href="#">Form of Performance Share Agreement under the 2015 SIC Plan, effective December 10, 2019.*</a>	10-K	001-15787	10.18.5	February 21, 2020	
10.18.5	<a href="#">Form of Performance Share Agreement under the 2015 SIC Plan, effective February 23, 2021.*</a>	10-K	001-15787	10.18.5	February 19, 2021	
10.18.6	<a href="#">Form of Performance Share Agreement under the 2015 SIC Plan, effective February 28, 2023.*</a>	10-K	001-15787	10.18.6	February 23, 2023	
10.19.1	<a href="#">Form of Performance Unit Agreement under the 2015 SIC Plan, effective January 1, 2016.*</a>	10-K	001-15787	10.96	February 25, 2016	
10.19.2	<a href="#">Form of Performance Unit Agreement under the 2015 SIC Plan, effective February 27, 2018.*</a>	8-K	001-15787	10.2	February 20, 2018	
10.19.3	<a href="#">Form of Performance Unit Agreement under the 2015 SIC Plan, effective January 1, 2019.*</a>	8-K	001-15787	10.2	December 13, 2018	
10.19.4	<a href="#">Form of Performance Unit Agreement under the 2015 SIC Plan, effective December 10, 2019.*</a>	10-K	001-15787	10.19.5	February 21, 2020	
10.19.5	<a href="#">Form of Performance Unit Agreement under the 2015 SIC Plan, effective February 23, 2021.*</a>	10-K	001-15787	10.19.5	February 19, 2021	
10.19.6	<a href="#">Form of Performance Unit Agreement under the 2015 SIC Plan, effective February 28, 2023.*</a>	10-K	001-15787	10.19.6	February 23, 2023	
10.20.1	<a href="#">Award Agreement Supplement, effective January 1, 2016.*</a>	10-K	001-15787	10.105	February 25, 2016	
10.20.2	<a href="#">Award Agreement Supplement, effective February 27, 2018.*</a>	8-K	001-15787	10.7	February 20, 2018	
10.20.3	<a href="#">Award Agreement Supplement, effective February 23, 2021.*</a>	10-K	001-15787	10.20.3	February 19, 2021	
10.21.1	<a href="#">MetLife Auxiliary Pension Plan, dated August 7, 2006 (as amended and restated, effective June 30, 2006).*</a>	10-K	001-15787	10.60	March 1, 2017	
10.21.2	<a href="#">MetLife Auxiliary Pension Plan, dated December 21, 2006 (amending and restating Part I thereof, effective January 1, 2007).*</a>	10-K	001-15787	10.61	March 1, 2017	
10.21.3	<a href="#">MetLife Auxiliary Pension Plan, dated December 21, 2007 (amending and restating Part I thereof, effective January 1, 2008).*</a>	10-K	001-15787	10.95	February 27, 2013	
10.21.4	<a href="#">Amendment #1 to the MetLife Auxiliary Pension Plan (as amended and restated, effective January 1, 2008), dated October 24, 2008 (effective October 1, 2008).*</a>	10-K	001-15787	10.98	February 27, 2014	

[Table of Contents](#)

<b>Exhibit No.</b>	<b>Description</b>	<b>Incorporated By Reference</b>				<b>Filed or Furnished Herewith</b>
		<b>Form</b>	<b>File Number</b>	<b>Exhibit</b>	<b>Filing Date</b>	
10.21.5	<a href="#">Amendment Number Two to the MetLife Auxiliary Pension Plan (as amended and restated, effective January 1, 2008), dated December 12, 2008 (effective December 31, 2008).*</a>	10-K	001-15787	10.99	February 27, 2014	
10.21.6	<a href="#">Amendment Number Three to the MetLife Auxiliary Pension Plan (as amended and restated, effective January 1, 2008) dated March 25, 2009 (effective January 1, 2009).*</a>	10-K	001-15787	10.71	February 25, 2016	
10.21.7	<a href="#">Amendment Number Four to the MetLife Auxiliary Pension Plan (as amended and restated, effective January 1, 2008), dated December 16, 2009 (effective January 1, 2010).*</a>	10-K	001-15787	10.102	February 27, 2015	
10.21.8	<a href="#">Amendment Number Five to the MetLife Auxiliary Pension Plan (as amended and restated, effective January 1, 2008), dated December 21, 2010 (effective January 1, 2010).*</a>	10-K	001-15787	10.73	February 25, 2016	
10.21.9	<a href="#">Amendment Number Six to the MetLife Auxiliary Pension Plan (as amended and restated, effective January 1, 2008), dated December 20, 2012 (effective January 1, 2012).*</a>	10-K	001-15787	10.101	February 27, 2013	
10.21.10	<a href="#">Amendment Number Seven to the MetLife Auxiliary Pension Plan (as amended and restated, effective January 1, 2008), dated December 27, 2013 (effective December 10, 2013).*</a>	10-K	001-15787	10.69	March 1, 2017	
10.21.11	<a href="#">Amendment Number 6 to the MetLife Auxiliary Pension Plan (as amended and restated, effective January 1, 2008), dated March 5, 2018 (effective March 15, 2018).*</a>	10-Q	001-15787	10.9	May 8, 2018	
10.21.12	<a href="#">Amendment Number 8 to the MetLife Auxiliary Retirement Plan (as amended and restated, effective January 1, 2008, formerly referred to as the “MetLife Auxiliary Pension Plan” until March 15, 2018), dated September 4, 2018 (effective March 15, 2018).*</a>	10-Q	001-15787	10.2	November 8, 2018	
10.21.13	<a href="#">Amendment Number Nine to the MetLife Auxiliary Retirement Plan (as amended and restated, effective January 1, 2008), dated September 26, 2018 (effective January 1, 2023).*</a>	10-Q	001-15787	10.3	November 8, 2018	
10.21.14	<a href="#">Amendment Number Ten to the MetLife Auxiliary Retirement Plan (as amended and restated, effective January 1, 2008), dated November 6, 2019 (effective November 1, 2019).*</a>	10-K	001-15787	10.21.14	February 18, 2022	
10.21.15	<a href="#">Amendment Number 11 to the MetLife Auxiliary Retirement Plan (as amended and restated, effective January 1, 2008), dated April 7, 2021 (effective April 7, 2021).*</a>	10-K	001-15787	10.21.15	February 18, 2022	
10.21.16	<a href="#">Amendment Number 12 to the MetLife Auxiliary Retirement Plan (as amended and restated, effective January 1, 2008), dated November 20, 2023 (effective December 1, 2023).*</a>					X
10.22.1	<a href="#">Alico Overseas Pension Plan, dated January 2009.*</a>	10-K	001-15787	10.70	March 1, 2017	
10.22.2	<a href="#">Amendment Number One to the Alico Overseas Pension Plan (effective November 1, 2010), dated December 20, 2010.*</a>	10-K	001-15787	10.71	March 1, 2017	
10.22.3	<a href="#">Amendment Number Two to the Alico Overseas Pension Plan (effective as of November 1, 2011), dated December 13, 2011.*</a>	10-K	001-15787	10.72	March 1, 2017	
10.22.4	<a href="#">Amendment Number Three to the Alico Overseas Pension Plan, dated May 1, 2012 (effective January 1, 2012).*</a>	8-K	001-15787	10.1	May 4, 2012	
10.22.5	<a href="#">Amendment Number Four to the Alico Overseas Pension Plan, dated June 19, 2017, effective July 1, 2017.*</a>	10-Q	001-15787	10.6	November 6, 2017	
10.23	<a href="#">MetLife Deferred Compensation Plan For Globally Mobile Employees, effective July 31, 2014, for which Michel Khalaf became eligible July 1, 2017.*</a>	10-Q	001-15787	10.4	November 6, 2017	
10.24.1	<a href="#">Metropolitan Life Auxiliary Savings and Investment Plan (Amended and Restated Effective January 1, 2008), dated December 20, 2007 (effective January 1, 2008).*</a>	10-K	001-15787	10.72	February 27, 2013	



[Table of Contents](#)

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		<b>Form</b>	<b>File Number</b>	<b>Exhibit</b>	<b>Filing Date</b>	
10.24.2	<a href="#">Amendment 1 to the Metropolitan Life Auxiliary Savings and Investment Plan (Amended and Restated, Effective January 1, 2008), dated December 9, 2008 (effective January 1, 2008).*</a>	10-K	001-15787	10.74	February 27, 2015	
10.24.3	<a href="#">Amendment Number 2 to the Metropolitan Life Auxiliary Savings and Investment Plan (Amended and Restated Effective January 1, 2008), dated December 21, 2010 (effective January 1, 2010).*</a>	10-K	001-15787	10.48	February 25, 2016	
10.24.4	<a href="#">Amendment Number 3 to the Metropolitan Life Auxiliary Savings and Investment Plan (Amended and Restated Effective January 1, 2008), dated December 19, 2012 (effective January 1, 2012 and January 1, 2013).*</a>	10-K	001-15787	10.75	February 27, 2013	
10.24.5	<a href="#">Amendment Number 4 to the Metropolitan Life Auxiliary Savings and Investment Plan (Amended and Restated Effective January 1, 2008), dated December 17, 2013 (effective July 1, 2013 and January 1, 2014).*</a>	10-K	001-15787	10.77	February 27, 2014	
10.24.6	<a href="#">Amendment Number 5 to the Metropolitan Life Auxiliary Savings and Investment Plan (Amended and Restated Effective January 1, 2008), dated March 5, 2018 (effective March 15, 2018).*</a>	10-Q	001-15787	10.8	May 8, 2018	
10.24.7	<a href="#">Amendment Number 6 to the MetLife Auxiliary Match Plan (Amended and Restated Effective January 1, 2008, formerly referred to as the “Metropolitan Life Auxiliary Savings and Investment Plan” until March 15, 2018), dated December 23, 2020 (effective January 1, 2020).*</a>	10-K	001-15787	10.24.7	February 18, 2022	
10.24.8	<a href="#">Amendment Number 7 to the MetLife Auxiliary Match Plan (Amended and Restated Effective January 1, 2008), dated April 7, 2021 (effective April 7, 2021).*</a>	10-K	001-15787	10.24.8	February 18, 2022	
10.24.9	<a href="#">Amendment Number 8 to the MetLife Auxiliary Match Plan (Amended and Restated Effective January 1, 2008), dated November 20, 2023 (effective December 1, 2023).*</a>					X
10.25.1	<a href="#">MetLife Deferred Compensation Plan for Officers, as amended and restated, effective November 1, 2003.*</a>	10-K	001-15787	10.78	February 27, 2014	
10.25.2	<a href="#">Amendment Number One to the MetLife Deferred Compensation Plan for Officers (as amended and restated as of November 1, 2003), dated May 4, 2005.*</a>	10-K	001-15787	10.52	February 25, 2016	
10.25.3	<a href="#">Amendment Number Two to the MetLife Deferred Compensation Plan for Officers (as amended and restated as of November 1, 2003, effective December 14, 2005).*</a>	10-K	001-15787	10.53	February 25, 2016	
10.25.4	<a href="#">Amendment Number Three to the MetLife Deferred Compensation Plan for Officers (as amended and restated as of November 1, 2003, effective February 26, 2007).*</a>	10-K	001-15787	10.45	March 1, 2017	
10.26.1	<a href="#">MetLife Leadership Deferred Compensation Plan, dated November 2, 2006 (as amended and restated, effective with respect to salary and cash incentive compensation, January 1, 2005, and with respect to stock compensation, April 15, 2005).*</a>	10-K	001-15787	10.46	March 1, 2017	
10.26.2	<a href="#">Amendment Number One to the MetLife Leadership Deferred Compensation Plan, dated December 13, 2007 (effective as of December 31, 2007).*</a>	10-K	001-15787	10.81	February 27, 2013	
10.26.3	<a href="#">Amendment Number Two to the MetLife Leadership Deferred Compensation Plan, dated December 11, 2008 (effective December 31, 2008).*</a>	10-K	001-15787	10.84	February 27, 2014	
10.26.4	<a href="#">Amendment Number Three to the MetLife Leadership Deferred Compensation Plan, dated December 11, 2009 (effective January 1, 2010).*</a>	10-K	001-15787	10.85	February 27, 2015	
10.26.5	<a href="#">Amendment Number Four to the MetLife Leadership Deferred Compensation Plan, dated December 11, 2009 (effective December 31, 2009).*</a>	10-K	001-15787	10.86	February 27, 2015	
10.26.6	<a href="#">Amendment Number Five to the MetLife Leadership Deferred Compensation Plan, dated December 16, 2010 (effective January 1, 2011).*</a>	10-K	001-15787	10.60	February 25, 2016	

[Table of Contents](#)

<b>Exhibit No.</b>	<b>Description</b>	<b>Incorporated By Reference</b>				<b>Filed or Furnished Herewith</b>
		<b>Form</b>	<b>File Number</b>	<b>Exhibit</b>	<b>Filing Date</b>	
10.26.7	<a href="#">Amendment Number Six to the MetLife Leadership Deferred Compensation Plan, dated December 27, 2011 (effective January 1, 2011).*</a>	10-K	001-15787	10.52	March 1, 2017	
10.26.8	<a href="#">Amendment Number Seven to the MetLife Leadership Deferred Compensation Plan, dated December 26, 2012 (effective January 1, 2013).*</a>	10-K	001-15787	10.53	March 1, 2017	
10.26.9	<a href="#">Amendment Number Eight to the MetLife Leadership Deferred Compensation Plan, dated December 17, 2013 (effective January 1, 2014).*</a>	10-K	001-15787	10.54	March 1, 2017	
10.26.10	<a href="#">Amendment Number Nine to the MetLife Leadership Deferred Compensation Plan, dated December 30, 2014 (effective January 1, 2015).*</a>	10-K	001-15787	10.88	February 27, 2015	
10.26.11	<a href="#">Amendment Number Ten to the MetLife Leadership Deferred Compensation Plan, dated September 30, 2016 (effective October 1, 2016).*</a>	10-K	001-15787	10.56	March 1, 2017	
10.26.12	<a href="#">Amendment Number Eleven to the MetLife Leadership Deferred Compensation Plan, dated September 30, 2016 (effective October 1, 2016).*</a>	10-K	001-15787	10.57	March 1, 2017	
10.26.13	<a href="#">Amendment Number Twelve to the MetLife Leadership Deferred Compensation Plan, dated December 19, 2017 (effective January 1, 2017 and April 1, 2017).*</a>	10-K	001-15787	10.29.13	February 22, 2019	
10.26.14	<a href="#">Amendment Number Thirteen to the MetLife Leadership Deferred Compensation Plan, dated December 4, 2018 (effective January 1, 2019).*</a>	10-K	001-15787	10.29.14	February 22, 2019	
10.26.15	<a href="#">Amendment Number Fourteen to the MetLife Leadership Deferred Compensation Plan, dated April 7, 2021 (effective April 7, 2021).*</a>	10-K	001-15787	10.26.15	February 18, 2022	
10.27.1	<a href="#">MetLife Plan for Transition Assistance for Grades 14 and Above, dated November 22, 2023 (as amended and restated, effective November 1, 2023).*</a>					X
10.28.1	<a href="#">Adjustment of certain compensation terms for Michel Khalaf, effective July 1, 2012.*</a>	10-Q	001-15787	10.2	November 7, 2012	
10.28.2	<a href="#">Tax Equalization Agreement dated June 10, 2015 between MetLife, Inc. and Michel Khalaf.*</a>	10-Q	001-15787	10.1	August 6, 2015	
10.28.3	<a href="#">Offer Letter, dated March 25, 2009, between American Life Insurance Company and Michel Khalaf.*</a>	10-K	001-15787	10.2	March 1, 2017	
10.28.4	<a href="#">Letter of Understanding, dated June 15, 2017, effective July 1, 2017, with Michel Khalaf.*</a>	10-Q	001-15787	10.3	November 6, 2017	
10.28.5	<a href="#">MetLife, Inc. and Metropolitan Life Insurance Company Compensation Committee and Board of Directors Resolutions of June 13, 2017 approving Michel Khalaf's eligibility to participate in the MetLife Deferred Compensation Plan For Globally Mobile Employees.*</a>	10-Q	001-15787	10.5	November 6, 2017	
10.28.6	<a href="#">Amendment Number 1 to Letter of Understanding, Dated February 26, 2019, Effective February 27, 2019, with Michel Khalaf.*</a>	8-K	001-15787	10.1	March 5, 2019	
10.28.7	<a href="#">Confirmation of End of Employment and Waiver and Release of Claims, Effective March 4, 2019, with Michel Khalaf.*</a>	8-K	001-15787	10.2	March 5, 2019	
10.29	<a href="#">Sign-on Payments Letter, dated May 24, 2017, effective July 10, 2017, between MetLife Group, Inc. and Susan Podlogar.*</a>	10-Q	001-15787	10.1	November 6, 2017	
10.30	<a href="#">Sign-on Payments Letter, dated June 14, 2017, effective September 11, 2017, between MetLife Group, Inc. and Ramy Tadros.*</a>	10-Q	001-15787	10.2	November 6, 2017	
10.31	<a href="#">Letter Agreement entered May 4, 2018 between MetLife, Inc. and John McCallion.*</a>	8-K	001-15787	10.1	May 7, 2018	

[Table of Contents](#)

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		<u>Form</u>	<u>File Number</u>	<u>Exhibit</u>	<u>Filing Date</u>	
10.32	<a href="#">Sign-on Payments Letter, dated August 14, 2019, effective November 19, 2019, between MetLife Group, Inc. and Bill Pappas.*</a>	10-K	001-15787	10.35	February 21, 2020	
21.1	<a href="#">Subsidiaries of the Registrant.</a>					X
23.1	<a href="#">Consent of Deloitte &amp; Touche LLP.</a>					X
31.1	<a href="#">Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>					X
31.2	<a href="#">Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>					X
32.1	<a href="#">Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>					X
32.2	<a href="#">Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>					X
97.1	<a href="#">MetLife Policy for the Recoupment of Erroneously Awarded Compensation under the Dodd-Frank Wall Street Reform and Consumer Protection Act (effective December 1, 2023).*</a>					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document.					X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.					X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.					X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.					X
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data file because its XBRL tags are embedded within the Inline XBRL document.					X
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and included in Exhibit 101).					X

\* Indicates management contracts or compensatory plans or arrangements.

**Signatures**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

February 15, 2024

METLIFE, INC.

By /s/ Michel A. Khalaf

Name: Michel A. Khalaf

Title: President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
<u>/s/ Cheryl W. Grisé</u> Cheryl W. Grisé	Director	February 15, 2024
<u>/s/ Carlos M. Gutierrez</u> Carlos M. Gutierrez	Director	February 15, 2024
<u>/s/ Carla A. Harris</u> Carla A. Harris	Director	February 15, 2024
<u>/s/ Gerald L. Hassell</u> Gerald L. Hassell	Director	February 15, 2024
<u>/s/ David L. Herzog</u> David L. Herzog	Director	February 15, 2024
<u>/s/ R. Glenn Hubbard</u> R. Glenn Hubbard	Chairman of the Board	February 15, 2024
<u>/s/ Jeh C. Johnson</u> Jeh C. Johnson	Director	February 15, 2024
<u>/s/ Edward J. Kelly, III</u> Edward J. Kelly, III	Director	February 15, 2024
<u>/s/ William E. Kennard</u> William E. Kennard	Director	February 15, 2024
<u>/s/ Catherine R. Kinney</u> Catherine R. Kinney	Director	February 15, 2024
<u>/s/ Diana L. McKenzie</u> Diana L. McKenzie	Director	February 15, 2024
<u>/s/ Denise M. Morrison</u> Denise M. Morrison	Director	February 15, 2024
<u>/s/ Mark A. Weinberger</u> Mark A. Weinberger	Director	February 15, 2024

<b>Signature</b>	<b>Title</b>	<b>Date</b>
<hr/> <i>/s/ Michel A. Khalaf</i> Michel A. Khalaf	President, Chief Executive Officer and Director (Principal Executive Officer)	February 15, 2024
<hr/> <i>/s/ John D. McCallion</i> John D. McCallion	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	February 15, 2024
<hr/> <i>/s/ Tamara L. Schock</i> Tamara L. Schock	Executive Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 15, 2024





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# Employee Benefits Proposal

## Group Critical Illness Insurance

### Attained Age Rate Structure

State of Nebraska

Employee Paid Offer

Proposal Date: 12/18/2024

Proposal Valid Until: 3/18/2025

Proposed Customer Effective Date: 7/1/2025

V11.2

CI-19

Plan 1 Standard - NS



## PROPRIETARY & CONFIDENTIAL

# Group Critical Illness Benefits

MetLife is pleased to offer you an opportunity to provide your employees with financial protection through our Group Critical Illness Insurance as part of our robust portfolio of voluntary products. Critical Illness Insurance provides features that could be valuable to your employees, including:

- ✓ Eligibility for portability through the Continued Insurance with Premium Payment provision may be subject to certain eligibility requirements and limitations. For more information, contact your MetLife representative.
- ✓ No coordination with other insurance benefits;
- ✓ Employees are paid a lump-sum benefit that they can use as they feel necessary.
- ✓ Employees and their families will have access to discounts or services that will provide them actionable tools and resources to help them navigate life's twists and turns.<sup>1</sup>

MetLife Critical Illness Insurance can supplement existing medical coverage and help provide financial support to pay for out-of-pocket expenses such as mortgage payments, college tuition, hiring household help, or treatment not covered by your medical plan. Benefits are paid regardless of what is covered by medical insurance. Payments are made directly to covered employees to spend as they choose.

### General Enrollment Strategy Requirements

MetLife requires the employer to enable MetLife to raise awareness of the program among employees by communicating relevant information in an appropriate manner. Employer obligations include:

1. Premiums collected via payroll deduction;
2. Agreed upon enrollment method specified in this proposal including on-site enrollment support;
  - Distribution of all required enrollment materials identified by MetLife.
  - Communication through a minimum of 3 employee touch points (e.g. education through materials, emails, intranet/newsletters, onsite meetings).
3. No competing Critical Illness plan programs.

*Failure to meet the requirements outlined above and/or changes to the agreed upon enrollment strategy will likely result in changes to this offering, including an increase in product rates, a change to the rate guarantee period or the program not being offered.*

*MetLife's proposal assumes an employer's agreement to provide the required enrollment strategy.*

*It is possible that combining ERISA benefit plans and voluntary insurance benefits on the same enrollment ballot may cause some voluntary insurance benefits to be deemed ERISA plans. There are steps that you can take in placing voluntary benefits on your ERISA ballot that can mitigate the risks. Specifically, segregating the ERISA and non-ERISA offerings on the ballot. We urge you to consult with your own advisor(s) on this matter.*

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<sup>1</sup>Discounts or services may not be available in all states.





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The following section describes the specific program design, provisions and rates being proposed for this group customer.

<b>Proposal Assumptions</b>	
<b>Situs State:</b>	NE  <u>Residents of most states will be covered by the situs state plan. Residents of certain states will be covered by a state specific certificate of insurance due to these states having extraterritorial laws. For specific state variations on Plan Design, Benefits, Limitations and Exclusions, please contact MetLife.</u>
<b>Standard Industry Classification (SIC)</b>	9199
<b>Number of Eligible Employees</b>	17,173
<b>Employee Eligibility</b>	<ul style="list-style-type: none"> <li>• Employees will be subject to an actively at work requirement.</li> <li>• Employees must reside in the United States.</li> <li>• An employee must be enrolled for coverage for their Spouse / Domestic Partner and / or Dependent Child(ren) to be eligible for coverage.</li> <li>• Child(ren) are eligible for coverage from birth to age 26. Spouses / domestic partners and dependent child(ren) must not be subject to any medical restrictions as set forth on the enrollment form and in the Certificate. Coverage for Domestic Partners varies by state. The definitions of Domestic Partner and Children may vary by state.</li> <li>• Retirees are not eligible to enroll.</li> <li>• The demographics and details of potential covered insureds living and working outside the United States should be discussed with your MetLife representative. This product has contractual exclusions and limitation on claims events that occur overseas.</li> </ul>
<b>Takeover</b>	No
<b>Contributions</b>	100% Employee paid
<b>Commissions</b>	Level 0% first year and subsequent years.
<b>Enrollment Method</b>	On Ballot
<b>Implementation Timeline</b>	The minimum lead time required to implement your plan is dependent on the method by which the plan will be billed and will be between 10 and 16 weeks from the date of the initial implementation meeting.

<b>Plan Design</b>	
<b>Underwriting Offer</b>	Guaranteed Issue  Coverage is guaranteed provided (1) the employee is actively at work and (2) dependents are not subject to

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	<p>medical restrictions as set forth on the enrollment form and in the Certificate. Some states require the insured to have medical coverage.</p>
<b>Benefit Amount</b>	<p>Employees will be offered a choice of the following benefit amount options: \$10,000, \$20,000, \$30,000, \$40,000 or \$50,000.</p> <p>Spouses/Domestic Partners will be offered 50% and Dependent Child(ren) will be offered 50% of the Employee benefit amount.</p> <p>Benefits are paid directly to the employee based on flat schedule (not reimbursement) and there is no coordination with other insurance coverage.</p>
<b>Recurrence Benefit</b>	<p>Included. A benefit is payable for a subsequent occurrence of some covered conditions. Refer to the Plan Design – Covered Conditions table in this Cost &amp; Benefit Summary for the eligible conditions and amount payable.</p> <p>The Recurrence Benefit is payable 1 time per covered condition per covered person.</p>
<b>Total Benefit Amount</b>	<p>There is no Total Benefit Amount cap included in the plan. This refers to a maximum aggregate amount that MetLife would pay per covered person per lifetime for the covered conditions.</p>
<b>Category Limits</b>	<p>There are no Category Limits included in the plan. This refers to a maximum aggregate amount that MetLife would pay per covered person for all conditions under an applicable covered condition category.</p>
<b>Initial Benefit Separation Period</b>	<p>An Initial Benefit is not payable for a covered condition that occurs within 30 days of an occurrence of a different covered condition.</p>
<b>Recurrence Benefit Separation Period</b>	<p>A Recurrence Benefit is not payable for a covered condition which occurs again within 90 days of the original occurrence.</p>
<b>Treatment-Free Period</b>	<p>We will not pay a Recurrence Benefit unless the covered person has not been treated or had symptoms for at least:</p> <p>90 days for a Cancer covered condition.</p> <p>90 days for a Benign Tumor condition.</p>
<b>Pre-Existing Condition Limitation</b>	<p>A Pre-Existing Condition Limitation is not included. Benefits are payable for a covered condition, so long as it occurs on or after the coverage effective date, even if it results from a pre-existing condition. “Pre-existing condition” refers to a sickness or injury for which medical advice or care was sought prior to the coverage effective date.</p>
<b>Benefit Reduction Due to Age</b>	<p>Not Included.</p>
<b>Portability (Continuation of Coverage)</b>	<p>“Portability” is available through our Continuation of Insurance provision. Employees who are no longer eligible for coverage under the plan (e.g. if their employment ends or if they retire or due to their movement to a non-eligible class or, unless they become eligible for similar coverage, if the group policy ends) may continue their coverage on a MetLife direct-billed basis.</p>



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	<p>Eligibility for portability through the Continued Insurance with Premium Payment provision may be subject to certain eligibility requirements and limitations. For more information, contact your MetLife representative.</p>
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**Plan Design – Covered Conditions**

- **Initial Benefit** means the benefit that is payable for a covered condition the first time that it occurs while coverage is in effect. The Initial Benefit amount is expressed as a percentage of the elected Benefit Amount.
- **Recurrence Benefit** means the benefit that is payable for another occurrence of the same covered condition for which MetLife has already paid a benefit. The Recurrence Benefit amount is expressed as a percentage of the Initial Benefit amount.

Covered Conditions	Initial Benefit	Recurrence Benefit
<b>Benign Tumor Category</b>		
Benign Brain Tumor	100% of Benefit Amount	100% of Initial Benefit
<b>Cancer Category</b>		
Invasive Cancer	100% of Benefit Amount	100% of Initial Benefit
Non-Invasive Cancer	25% of Benefit Amount	100% of Initial Benefit
Skin Cancer	5% of Benefit Amount, but not less than \$250	NONE
<b>Coronary Artery Disease Category</b>		
Coronary Artery Bypass Graft (CABG) - where surgery involving either a median sternotomy or minimally invasive procedure is performed	50% of Benefit Amount	100% of Initial Benefit
<b>Childhood Disease Category</b>		
Cerebral Palsy	100% of Benefit Amount	NONE
Cleft Lip or Cleft Palate	100% of Benefit Amount	NONE
Cystic Fibrosis	100% of Benefit Amount	NONE
Diabetes (Type 1)	100% of Benefit Amount	NONE
Down Syndrome	100% of Benefit Amount	NONE
Sickle Cell Anemia	100% of Benefit Amount	NONE
Spina Bifida	100% of Benefit Amount	NONE
<b>Functional Loss Category</b>		
Coma	100% of Benefit Amount	100% of Initial Benefit
Loss of: Ability to Speak; Hearing; or Sight	100% of Benefit Amount	NONE
Paralysis of 2 or more limbs	100% of Benefit Amount	NONE
<b>Heart Attack Category</b>		
Heart Attack	100% of Benefit Amount	100% of Initial Benefit
Sudden Cardiac Arrest	50% of Benefit Amount	NONE
<b>Infectious Disease Category</b>		
<i>For a benefit to be payable, the covered person must have been treated for the disease in a hospital for 3 consecutive days.</i>		
Bacterial Cerebrospinal Meningitis	25% of Benefit Amount	NONE
COVID-19	25% of Benefit Amount	NONE
Diphtheria	25% of Benefit Amount	NONE
Encephalitis	25% of Benefit Amount	NONE
Legionnaire’s Disease	25% of Benefit Amount	NONE
Malaria	25% of Benefit Amount	NONE

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Necrotizing Fasciitis	25% of Benefit Amount	NONE
Osteomyelitis	25% of Benefit Amount	NONE
Rabies	25% of Benefit Amount	NONE
Tetanus	25% of Benefit Amount	NONE
Tuberculosis	25% of Benefit Amount	NONE
<b>Kidney Failure Category</b>		
Kidney Failure	100% of Benefit Amount	NONE
<b>Major Organ Transplant Category</b>		
Major Organ Transplant <i>For bone marrow, heart, lung, pancreas, and liver</i>	100% of Benefit Amount	NONE
<b>Progressive Disease Category</b>		
ALS	100% of Benefit Amount	NONE
Alzheimer's Disease	100% of Benefit Amount	NONE
Multiple Sclerosis	100% of Benefit Amount	NONE
Muscular Dystrophy	100% of Benefit Amount	NONE
Parkinson's Disease (Advanced)	100% of Benefit Amount	NONE
Systemic Lupus Erythematosus (SLE)	100% of Benefit Amount	NONE
<b>Severe Burn Category</b>		
Severe Burn	100% of Benefit Amount	100% of Initial Benefit
<b>Stroke Category</b>		
Stroke	100% of Benefit Amount	100% of Initial Benefit

**Plan Design – Supplemental Benefits**

**Health Screening Benefit**

Payable if an eligible covered person takes one of the screening/prevention measures listed below.

Benefit Amount

- \$50

Times Payable per Calendar Year

- 1 time per Employee
- 1 time per Spouse/Domestic Partner
- 1 time per Dependent Child

Eligible Screening/Prevention Measures

routine health check-up exam	fasting blood glucose test
biopsies for cancer	fasting plasma glucose test
blood chemistry panel	flexible sigmoidoscopy
blood test to determine total cholesterol	hearing test
blood test to determine triglycerides	hemocult stool specimen
bone marrow testing	hemoglobin A1C
breast MRI	human papillomavirus (HPV) vaccination

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	breast ultrasound	immunization
	breast sonogram	lipid panel
	cancer antigen 15-3 blood test for breast cancer (CA 15-3)	mammogram
	cancer antigen 125 blood test for ovarian cancer (CA 125)	oral cancer screening
	carcinoembryonic antigen blood test for colon cancer (CEA)	pap smears or thin prep pap test
	carotid doppler	prostate-specific antigen (PSA) test
	chest x-rays	serum cholesterol test to determine LDL and HDL levels
	clinical testicular exam	serum protein electrophoresis
	colonoscopy	skin cancer biopsy
	complete blood count (CBC)	skin cancer screening
	coronavirus testing	skin exam
	dental exam	stress test on bicycle or treadmill
	digital rectal exam (DRE)	successful completion of smoking cessation program
	Doppler screening for cancer	tests for sexually transmitted infections (STIs)
	Doppler screening for peripheral vascular disease	thermography
	echocardiogram	two-hour post-load plasma glucose test
	electrocardiogram (EKG)	ultrasounds for cancer detection
	electroencephalogram (EEG)	ultrasound screening of the abdominal aorta for abdominal aortic aneurysms
	endoscopy	virtual colonoscopy
	eye exams	

Ask your MetLife representative for information on other plan designs and benefits that may be available based on MetLife's guidelines, group size, underwriting and state requirements.

<b>Connected Benefits</b>	
<b>MetLife Disability</b>	MetLife will proactively notify employees and may auto-adjudicate certain medical conditions when benefits may be available under MetLife Accident & Health Insurance coverages – which includes Critical Illness, as well as Accident, Cancer or Hospital Indemnity insurance if an employee also has those coverages – after filing a MetLife Group Disability claim if the employee has MetLife Group Disability Insurance. Added at no additional cost to you or your employees.

<b>MetLife Advantages<sup>SM</sup></b>	
<b>MetLife Advantages<sup>SM</sup> – Services or Discounts added at no additional cost to you or your employees</b>	<p>Will Preparation Services<sup>1</sup></p> <p>As an added benefit your employees will have access to MetLife's online will preparation services provided by SmartLegalForms to create a binding will, living will or assign a power of attorney.</p> <p>MetLife VisionAccess<sup>2</sup></p> <p>As an added benefit your employees will have access to the MetLife VisionAccess discount program. The program provides a discount on eye exams, glasses and</p>



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	<p>frames, and laser vision correction when visiting a participating private practice.</p> <p>Funeral Discount and Planning Services<sup>3</sup></p> <p>As an added benefit your employees will have access to funeral discounts and planning services. Through Dignity Memorial, employees and family members will have access to compassionate counselors as well as discounts on funeral services through the largest network of funeral homes and cemetery providers in North America.</p>
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MetLife Advantages<sup>SM</sup> availability may vary by state.

<sup>1</sup>WillsCenter.com is a document service provided by SmartLegalForms, Inc., an affiliate of Epoq Group, Ltd. SmartLegalForms, Inc. and is not affiliated with MetLife. The WillsCenter.com service is separate and apart from any insurance or service provided by MetLife. The WillsCenter.com service does not provide access to an attorney, does not provide legal advice, and may not be suitable for your specific needs. Please consult with your financial, legal, and tax advisors for advice with respect to such matters. WillsCenter.com is available to anyone regardless of affiliation with MetLife.

<sup>2</sup>MetLife Vision Access is a discount program and not an insured benefit. It is provided through Vision Service Plan (VSP), Rancho Cordova, CA. VSP is not affiliated with MetLife or its affiliates. MetLife Vision Access is available to anyone regardless of affiliation with MetLife.

<sup>3</sup>Funeral Discount and Planning Services - Services and discounts are provided through a member of the Dignity Memorial® Network, a brand name used to identify a network of licensed funeral, cremation and cemetery providers that are affiliates of Service Corporation International (together with its affiliates, "SCI"), 1929 Allen Parkway, Houston, Texas. The online planning site is provided by SCI Shared Resources, LLC. SCI is not affiliated with MetLife, and the services provided by Dignity Memorial members are separate and apart from the insurance provided by MetLife. SCI offers planning services, expert assistance, and bereavement travel services to anyone regardless of affiliation with MetLife. Discounts through Dignity Memorial's network of funeral providers have been pre-negotiated. Not available where prohibited by law. If the group policy is issued in an approved state, the discount is available for funeral services held in any state except KY and NY, or where there is no Dignity Memorial presence (AK, MT, ND, SD, and WY). For TN, the funeral services discount is available for "At Need" services only. Not approved in AK, CA, IN, MD, MO, ND, NJ, NY, TX, or WA.

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<b>Rate Information</b>	
<b>Rate Structure</b>	Attained Age
<b>Rate Guarantee Period</b>	5 years; subsequent years' rates subject to change.
<b>Monthly (12) Premium Calculation</b>	<p>Employee, spouse and child(ren) premiums will be based on the employee's age, benefit amount, and tobacco-use status (if applicable).</p> <p>(Monthly/Weekly etc.) premium rates will be calculated as premium rates per \$1,000 from the rate table(s) below, multiplied by benefit amount divided by 1,000.</p>
<b>Policy and Rate Changes</b>	<p>Policy premiums are due on the first day of each month.</p> <p>This quote assumes an extended premium payment grace period ("premium drag") of 60 days.</p> <p>MetLife reserves the right to change its rates for any of the following reasons:</p> <ul style="list-style-type: none"> <li>• The composition of the group, employees, dependents or the Critical Illness insurance volume has changed 10% or more from the date when quoted.</li> <li>• Any of the plan designs are changed.</li> <li>• A change in applicable law requires a change in the insurance provided by the policy or the classes of persons eligible for insurance under the plan.</li> </ul>
<b>Supplemental Fees</b>	We will pay an administrative fee equal to 3% of premium.



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**Monthly (12) Premium Rates**

Uni-Tobacco

Premium per \$1,000 of Coverage

Attained Age	Employee Only	Employee + Spouse	Employee + Child(ren)	Employee + Spouse and Child(ren)
<25	\$0.25	\$0.42	\$0.39	\$0.56
25 - 29	\$0.29	\$0.47	\$0.42	\$0.61
30 - 34	\$0.35	\$0.56	\$0.48	\$0.69
35 - 39	\$0.47	\$0.74	\$0.61	\$0.88
40 - 44	\$0.64	\$0.99	\$0.77	\$1.12
45 - 49	\$0.87	\$1.33	\$1.00	\$1.47
50 - 54	\$1.18	\$1.81	\$1.31	\$1.94
55 - 59	\$1.62	\$2.48	\$1.75	\$2.62
60 - 64	\$2.11	\$3.24	\$2.25	\$3.38
65 - 69	\$2.67	\$4.09	\$2.80	\$4.22
70 - 74	\$3.49	\$5.33	\$3.62	\$5.46
75+	\$4.81	\$7.32	\$4.95	\$7.45

Multiply the per \$1,000 rates shown above by the benefit amount divided by \$1,000 (e.g., 15 for \$15,000 of coverage) and round to two decimals to calculate rates for the quoted benefit amounts. Note that the per \$1,000 rates are only applicable to the benefit amounts shown in this C&B. Final implemented rates may vary slightly due to rounding.

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**CRITICAL ILLNESS INSURANCE GENERAL EXCLUSIONS**

**PLEASE NOTE:**

Exclusions and limitations in any policy and certificate issued will be based on the policyholder's situs state, plan design and states where employees reside. If the policyholder has employees residing in the following states, that state's Exclusions and Limitations will apply: Alaska, Arkansas, Colorado, Connecticut, Florida, Guam, Idaho, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, South Carolina, South Dakota, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin, and Wyoming.

**How to read this section:**

Exclusions appear in **bold font**. Applicable state variations are noted in *italics*.

**We will not pay benefits for any Covered Condition for a Covered Person caused by, or that takes place during:**

- **the Covered Person's active participation in an insurrection, rebellion, riot or terrorist act;**  
*CT, NY and OR: "...riot or terrorist act;" deleted and replaced with "...or riot;"*  
*ID: "...insurrection, rebellion, riot or terrorist act" deleted and replaced with "...insurrection or riot;"*  
*MD: bullet deleted.*  
*MI: bullet expanded to "...or terrorist act if such participation constitutes the commission of a felony or other willful criminal activity;"*  
*UT: "active participation" changed to "voluntary active participation".*
- **the Covered Person's engagement in any illegal occupation or activity that constitutes a felony under the laws of the jurisdiction in which the activity took place;**  
*CA and MD: bullet deleted.*  
*ID: bullet changed to "the Covered Person's participation in a felony;"*  
*MI: bullet changed to "the Covered Person's committing or attempting to commit a felony or to which a contributing cause was the Covered Person being engaged in an illegal occupation or other willful criminal activity;"*  
*NH and OR: "illegal occupation or" is deleted.*  
*NJ: bullet changed to "the Covered Person's commission of, or attempt to commit, a felony or engagement in an illegal occupation;"*  
*NY: bullet changed to "the Covered Person's engagement in any illegal occupation;"*  
*UT: "illegal occupation or activity" changed to "illegal occupation or activity as a voluntary participant".*
- **the Covered Person's intentionally self-inflicted injury;**  
*MN: bullet deleted.*
- **the Covered Person's suicide or attempted suicide (while sane or insane);**  
*MN: bullet deleted.*  
*MO, OR and VT: "or insane" is deleted.*

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NY: "(while sane or insane)" is deleted.

- **war, whether declared or undeclared; or act of war;**

NC: Bullet revised to: "war, whether declared or undeclared; or act of war (undeclared war does not include acts of terrorism);"

NY: Bullet revised to: "war, or act of war (whether declared or undeclared);"

OK: Bullet revised to: "war, whether declared or undeclared; or act of war - this exclusion only applies to a Covered Person while serving in the military or an auxiliary unit attached to the military or working in an area of war whether voluntarily or as required by an employer;"

- **the Covered Person's operation, while intoxicated, of a motor vehicle involved in the incident. Motor vehicle means any vehicle that is powered by a motor, including, but not limited to: an automobile; a boat; a motorcycle; a truck; an all terrain vehicle; or a snow mobile. For purposes of this exclusion intoxicated means that the Covered Person's:**

IL: Last sentence in bullet revised to: "For purposes of this exclusion intoxicated means that which is defined and determined by the laws of the jurisdiction where the loss or cause of the loss was incurred and the Covered Person's."

KY: Second sentence revised to: "Motor vehicle means any vehicle that is powered by a motor."

CA, ID, MD, NJ, SD and WA: bullet and two sub-bullets deleted.

NV: First sentence in bullet revised to: "the Covered Person's commission of or attempt to commit a felony which involves the operation, while intoxicated, of a motor vehicle involved in the incident."

NY: Bullet and sub-bullets deleted and replaced with "the Covered Person being intoxicated."

- **blood alcohol level met or exceeded .08%; or**

OR: Bullet revised to: "blood alcohol level met or exceeded the limit established by the laws of the jurisdiction for driving while intoxicated where the incident took place; or"

- **blood delta-9-tetrahydrocannabinol (THC) level met or exceeded the limit established by the laws of the jurisdiction for drug-impaired driving where the incident took place;**

- **the Covered Person voluntarily taking or using any drug, medication or sedative unless it is:**

CT: bullet deleted and replaced with "the voluntary use of a controlled substance as defined in Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (the Controlled Substances Act), as now or hereafter amended, unless prescribed by the Covered Person's Physician for the Covered Person;"

CA, ID, MD, NJ, OR, SD and WA: bullet and two sub-bullets deleted.

MI: bullet and two sub-bullets deleted and replaced with "the Covered Person voluntarily taking or using any drug, medication or sedative that constitutes a willful criminal activity; or"

NY: bullet and two sub-bullets deleted and replaced with "the Covered Person being under the influence of any narcotic (unless administered on the advice of a Physician);"

PA: "drug, medication or sedative" replaced with "intoxicant or narcotic".

VT: bullet revised to "the Covered Person's voluntary and felonious use of any drug, medication or sedative unless it is:"

- **taken or used as prescribed by a Physician, or**
- **an "over the counter" drug, medication or sedative taken according to package directions; or**

NV: Bullet and both sub-bullets deleted.

ID: additional bullet added: "the Covered Person's alcoholism or drug addiction; or"

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*NJ: additional bullet added: “the Covered Person being intoxicated or being under the influence of any narcotic unless administered or consumed on the advice of a Physician;”*

- **activities required by the Covered Person’s service in the armed forces or any auxiliary unit of the armed forces of any country or international authority.**

*FL: bullet revised to “activities required by the Covered Person to carry out the duties and responsibilities of their service in...”*

*MO: bullet removed.*

### In addition,

- *TX: bullet added: “Diagnosis or treatment of a Covered Condition by a Physician who is: You; Your spouse or anyone to whom You are related by blood or marriage; anyone who is a member of Your household; Your adopted child or step-child; anyone with whom You share a business interest; or Your employee;”*
- **We will not pay benefits for any Covered Condition for which Diagnosis is made outside the United States, Canada or Mexico unless the Diagnosis is confirmed in the United States, in which case the Covered Condition will be deemed to Occur on the date the Diagnosis is made outside the United States, Canada or Mexico.**

*(CA: the following two exclusions are added:)*

### INTOXICANTS AND CONTROLLED SUBSTANCES

*We shall not be liable for any loss sustained or contracted in consequence of the Covered Person’s being intoxicated (including but not limited to intoxication due to cannabis use) or under the influence of any controlled substance unless administered on the advice of a Physician.*

### ILLEGAL OCCUPATION OR COMMISSION OF A FELONY

*We shall not be liable for any loss to which a contributing cause was the commission of or attempt to commit a felony by the Covered Person whose injury or sickness is the basis of claim, or to which a contributing cause was such Covered Person’s being engaged in an illegal occupation.*

*CT: The following definition is added:*

**Participation in a Riot** means all forms of public violence, disorder or disturbance of the peace by three or more persons. It does not matter whether:

- there was common intent; or
- there was intent to damage any person or property, or to break the law.

*ID: The following exclusion is added:*

Coverage under this Certificate does not provide benefits for elective abortions.



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**General Disclaimer:**

*METLIFE CRITICAL ILLNESS INSURANCE (CII) IS A LIMITED BENEFIT GROUP INSURANCE POLICY. Like most group accident and health insurance policies, MetLife's CII policies contain certain exclusions, limitations and terms for keeping them in force. Product features and availability vary by state. There may be a preexisting condition exclusion. There may be a benefit reduction due to age provision. There may be a Benefit Suspension Period between recurrences of the same Covered Condition or occurrences of different Covered Conditions. MetLife offers CII on both an Attained Age basis, where rates will increase when a Covered Person reaches a new age band, and an Issue Age basis, where rates will not increase due to age. Rates are subject to change. MetLife reserves the right to raise premium rates for Issue Age CII on a class-wide basis. A more detailed description of the benefits, limitations, and exclusions can be found in the applicable Disclosure Statement or Outline of Coverage/Disclosure Document available at time of enrollment. For complete details of coverage and availability, please refer to the group policy form GPNP14-CI or contact MetLife for more information. Benefits are underwritten by Metropolitan Life Insurance Company, New York, New York.*

*MetLife's Critical Illness Insurance is not intended to be a substitute for Medical Coverage providing benefits for medical treatment, including hospital, surgical and medical expenses. MetLife's Critical Illness Insurance does not provide reimbursement for such expenses.*

*Some services in connection with the coverage may be performed by our affiliate, MetLife Services and Solutions, LLC or by Transaction Applications Group, Inc. a wholly owned subsidiary of NTT Data Services, LLC. These service arrangements in no way alter Metropolitan Life Insurance Company's obligations. Coverage will continue to be administered in accordance with Metropolitan Life Insurance Company's policies and procedures.*

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### U.S. Business Intermediary and Producer Compensation Notice

Metropolitan Life Insurance Company, Metropolitan Tower Life Insurance Company, MetLife Consumer Services, Inc. and Metropolitan General Insurance Company (collectively herein called "MetLife"), enters into arrangements concerning the sale, servicing and/or renewal of MetLife group insurance and certain other group-related insurance and non-insurance products ("Products") with brokers, agents, consultants, third party administrators, general agents, associations, and other parties that may participate in the sale, servicing and/or renewal of such products (*each an "Intermediary"*). MetLife may pay your Intermediary compensation, which may include, among other things, base compensation, supplemental compensation and/or a service fee. MetLife may pay compensation for the sale, servicing and/or renewal of products, or remit compensation to an Intermediary on your behalf. Your Intermediary may also be owned by, controlled by or affiliated with another person or party, which may also be an Intermediary and who may also perform marketing and/or administration services in connection with your products and be paid compensation by MetLife.

Base compensation, which may vary from case to case and may change if you renew your products with MetLife, may be payable to your Intermediary as a percentage of premium or a fixed dollar amount. MetLife may also pay your Intermediary compensation that is based upon your Intermediary placing and/or retaining a certain volume of business (*number of products sold or dollar value of premium*) with MetLife. In addition, supplemental compensation may be payable to your Intermediary for eligible Products. Under MetLife's current supplemental compensation plan (SCP), the amount payable as supplemental compensation may range from 0% to 8% of premium or fees. The supplemental compensation percentage may be based on one or more of: (1) the number of products sold through your Intermediary during a one-year period, or other defined period; (2) the amount of eligible new or renewal premium or fees with respect to products sold through your Intermediary during a one-year period; (3) the persistency percentage of products inforce through your Intermediary during a one-year period; (4) the block growth of the products inforce through your Intermediary during a one-year period; (5) eligible new or renewal premium or fees growth during a one-year period; or (6) a flat amount, fixed percentage or sliding scale of the premium or fees for products as set by MetLife. The supplemental compensation percentage will be set by MetLife based on the achievement of the outlined qualification criteria and it may not be changed until the following SCP plan year. As such, the supplemental compensation percentage may vary from year to year, but will not exceed 8% under the current supplemental compensation plan.

The cost of supplemental compensation is not directly charged to the price of our products except as an allocation of overhead expense, which is applied to all eligible group insurance products, whether or not supplemental compensation is paid in relation to a particular sale or renewal. As a result, your rates will not differ by whether or not your Intermediary receives supplemental compensation. If your Intermediary collects the premium or fees from you in relation to your products, your Intermediary may earn a return on such amounts. Additionally, MetLife may have a variety of other relationships with your Intermediary or its affiliates, or with other parties, that involve the payment of compensation and benefits that may or may not be related to your relationship with MetLife (*e.g., insurance and employee benefits exchanges, enrollment firms and platforms, sales contests, consulting agreements, participation in an insurer panel, or reinsurance arrangements*).

More information about the eligibility criteria, limitations, payment calculations and other terms and conditions under MetLife's base compensation and supplemental compensation plans can be found on MetLife's Website at [www.metlife.com/business-and-brokers/broker-resources/broker-compensation](http://www.metlife.com/business-and-brokers/broker-resources/broker-compensation). Questions regarding Intermediary compensation can be directed to [ask4met@metlifeservice.com](mailto:ask4met@metlifeservice.com), or if you would like to speak to someone about Intermediary compensation, please call (800) ASK 4MET. In addition to the compensation paid to an Intermediary, MetLife may also pay compensation to your representative. Compensation paid to your representative is for participating in the sale, servicing, and/or renewal of products, and the compensation paid may vary based on a number of factors including the type of product(s) and volume of business sold. If you are the person or entity to be charged under an insurance policy or annuity contract, you may request additional information about the compensation your representative expects to receive as a result of the sale or concerning compensation for any alternative quotes presented, by contacting your representative or calling (866) 796-1800.

### Non-U.S. Coverage

When providing you with information concerning an eligible group insurance policy issued or proposed to your affiliate or subsidiary outside the United States by a MetLife affiliate or by other locally licensed insurers that are members of the MAXIS Global Benefits Network (MAXIS GBN), New York insurance law requires the person providing the information to be licensed as an insurance broker. In this capacity, the information provided to you will only be on behalf of such insurers and not on behalf of MetLife or any other insurer that is not a member of MAXIS GBN. Please note that while MetLife is a member of MAXIS GBN and is licensed to transact insurance business in New York, the other MAXIS GBN member insurers are not licensed or authorized to do business in New York. The group insurance policies they issue are for coverage outside the United States and are governed by the laws of the country they were issued in. These policies have not been approved by the New York Superintendent of Financial Services, are not subject to all of the laws of New York, and are not protected by the New York State Guaranty Fund.

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# Employee Benefits Proposal

## Group Accident Insurance

State of Nebraska

Employee Paid Offer

Proposal Date: 12/18/2024

Proposal Valid Until: 3/18/2025

Proposed Customer Effective Date: 7/1/2025

V11.2

AX16 [NS-NA] Low: Plan Design 2, High: Plan Design 4

BEN



## Group Accident Benefits

MetLife is pleased to offer you an opportunity to provide your employees with financial protection through our Group Accident Insurance as part of our robust portfolio of voluntary products. Accident Insurance provides features that could be valuable to your employees, including:

- ✓ Portability through Continued Insurance with Premium Payment which gives employees the ability to keep their existing coverage when their employment status with the employer changes.<sup>1</sup>
- ✓ No coordination with other insurance benefits;
- ✓ Employees are paid a lump-sum benefit that they can use as they feel necessary;
- ✓ Employees and their families will have access to discounts or services that will provide them actionable tools and resources to help them navigate life's twists and turns.<sup>2</sup>

MetLife Accident Insurance can supplement existing medical coverage and help provide financial support to pay for out-of-pocket expenses such as deductibles, co-payments, and non-covered medical services. Benefits are paid regardless of what is covered by medical insurance. Payments are made directly to covered employees to spend as they choose.

### General Enrollment Strategy Requirements

MetLife requires the employer to enable MetLife to raise awareness of the program among employees by communicating relevant information in an appropriate manner. Employer obligations include:

1. Premiums collected via payroll deduction;
2. Agreed upon enrollment method specified in this proposal including on-site enrollment support;
  - Distribution of all required enrollment materials identified by MetLife.
  - Communication through a minimum of 3 employee touch points (e.g., education through materials, emails, intranet/newsletters, onsite meetings).
3. No competing Accident plan programs.

*Failure to meet the requirements outlined above and/or to the agreed upon enrollment strategy will likely result in changes to this offering, including an increase in product rates, a change to the rate guarantee period or the program not being offered.*

*MetLife's proposal assumes an employer's agreement to provide the required enrollment strategy.*

*It is possible that combining ERISA benefit plans and voluntary insurance benefits on the same enrollment ballot may cause some voluntary insurance benefits to be deemed ERISA plans. There are steps that you can take in placing voluntary benefits on your ERISA ballot that can mitigate the risks. Specifically, segregating the ERISA and non-ERISA offerings on the ballot. We urge you to consult with your own advisor(s) on this matter.*

**The following section describes assumptions, specific program design, and rates being proposed for this group customer.**

<sup>1</sup> Eligibility for portability through the Continued Insurance with Premium Payment provision may be subject to certain eligibility requirements and limitations. For more information, contact your MetLife representative.

<sup>2</sup> Discounts or services may not be available in all states.





<b>Proposal Assumptions</b>	
<b>Situs State</b>	NE  <u>Residents of most states will be covered by the situs state plan. Residents of certain states will be covered by a state specific certificate of insurance due to these states having extraterritorial laws. For specific state variations on Program Design, Benefits, Limitations and Exclusions, please contact MetLife.</u>
<b>Standard Industry Classification (SIC)</b>	9199
<b>Number of Eligible Employees</b>	17,173
<b>Employee Eligibility</b>	<ul style="list-style-type: none"> <li>• Employees will be subject to an actively at work requirement. MN and VT residents are subject to a medical coverage requirement.</li> <li>• Must be a resident of the United States.</li> <li>• An employee must be enrolled for coverage for their Spouse / Domestic Partner and / or Dependent Child(ren) to be eligible for coverage.</li> <li>• Child(ren) are eligible for coverage from birth to age 26. Spouses / domestic partners and dependent child(ren) must not be subject to any medical restrictions as set forth on the enrollment form and in the Certificate. Coverage for Domestic Partners varies by state. The definitions of Domestic Partner and Children may vary by state.</li> <li>• Retirees are not eligible to enroll.</li> <li>• VT residents are required to be eligible for coverage if they work at least 17.5 hours a week. NH residents are required to be eligible for coverage if they work at least 15 hours a week.</li> <li>• The demographics and details of potential covered insureds living and working outside the United States should be discussed with your MetLife representative. This product has contractual exclusions and limitation on claims events that occur overseas.</li> </ul>
<b>Contributions</b>	100% Employee Paid
<b>Commissions</b>	Level 0% first year and subsequent years.
<b>Enrollment Method</b>	On Ballot
<b>Implementation Timeline</b>	The minimum lead time required to implement your plan is dependent on the method by which the plan will be billed and will be between 10 and 16 weeks from the date of the initial implementation meeting.



<b>Plan Design</b>	
<b>Coverage Type</b>	24 Hour Coverage (on/off job)
<b>Benefit Amount</b>	Employees will have a choice of selecting coverage between two options: High Plan or Low Plan on a guaranteed issue. Benefits are based on flat schedule amount that varies depending on plan.
<b>Underwriting Offer</b>	Guaranteed Issue <sup>2</sup>  Benefits are paid directly to the employee based on flat schedule (not reimbursement) and there is no coordination with other insurance coverage.
<b>Benefit Reduction Due to Age</b>	Not Included.
<b>Portability (Continuation of Insurance with Premium Payment)<sup>3</sup></b>	“Portability” is available through our Continuation of Insurance provision. Employees who are no longer eligible for coverage under the plan (e.g. if their employment ends or if they retire or due to their movement to a non-eligible class or, unless they become eligible for similar coverage, if the group policy ends) may continue their coverage on a MetLife direct-billed basis.

Ask your MetLife representative for information on other plan designs and benefits that may be available based on MetLife's guidelines, group size, underwriting and state requirements.

<sup>2</sup> Coverage is guaranteed provided (1) the employee is actively at work and (2) dependents are not subject to medical restrictions as set forth on the enrollment form and in the Certificate. Some states require the insured to have medical coverage.

<sup>3</sup> Eligibility for portability through the Continued Insurance with Premium Payment provision may be subject to certain eligibility requirements and limitations. For more information, contact your MetLife representative.



Rate Information	
<b>Rate Structure</b>	Composite Rates
<b>Rate Guarantee period</b>	5 years, subsequent years' rates subject to change.
<b>Policy and Rate Changes</b>	<p>Policy Premiums are due on the first day of each month.</p> <p>This quote assumes an extended premium payment grace period ("premium drag") of 60 days.</p> <p>MetLife reserves the right to change its rates for any of the following reasons:</p> <ul style="list-style-type: none"> <li>• The composition of the group, employees, dependents or the Accident insurance volume has changed 10% or more from the date when quoted.</li> <li>• Any of the plan designs are changed.</li> <li>• A change in applicable law requires a change in the insurance provided by the policy or the classes of persons eligible for insurance under the plan.</li> </ul>
<b>Supplemental Fees</b>	We will pay an administrative fee equal to 3% of premium.

**Proposed Rates – Low Plan**

Type	Monthly (12)
Employee Only	\$4.21
Employee + Spouse	\$8.31
Employee + Children	\$10.01
Employee + Spouse and Children	\$11.80

**Proposed Rates – High Plan**

Type	Monthly (12)
Employee Only	\$7.60
Employee + Spouse	\$14.97
Employee + Children	\$18.02
Employee + Spouse and Children	\$21.25

*Note: Final implemented rates may vary slightly due to rounding.*



**Covered Benefits** – All benefits must relate to injuries sustained in an accident.

		LOW PLAN			HIGH PLAN		
BENEFIT	BENEFIT LIMITS	EMPLOYEE	SPOUSE	CHILD	EMPLOYEE	SPOUSE	CHILD
<b>ACCIDENTAL DEATH BENEFITS CATEGORY</b>							
Basic Accidental Death	N/A	\$25,000	\$12,500	\$5,000	\$50,000	\$25,000	\$10,000
Accidental Death Common Carrier		\$75,000	\$37,500	\$15,000	\$150,000	\$75,000	\$30,000
<b>ACCIDENTAL DISMEMBERMENT/FUNCTIONAL LOSS/PARALYSIS BENEFITS CATEGORY</b>							
<b>Basic Dismemberment/Functional Loss Benefit</b>							
Loss of one finger or one toe	N/A	\$500	\$500	\$500	\$1,000	\$1,000	\$1,000
Loss of one arm or one leg		\$7,500	\$7,500	\$7,500	\$15,000	\$15,000	\$15,000
Loss of one hand or one foot		\$7,500	\$7,500	\$7,500	\$15,000	\$15,000	\$15,000
Loss of two or more fingers or toes		\$1,000	\$1,000	\$1,000	\$2,000	\$2,000	\$2,000
Loss of sight in one eye		\$7,500	\$7,500	\$7,500	\$15,000	\$15,000	\$15,000
Loss of hearing in one ear		\$7,500	\$7,500	\$7,500	\$15,000	\$15,000	\$15,000
<b>Catastrophic Dismemberment/Functional Loss Benefit</b>							
Loss of both arms or both legs or one arm and one leg	N/A	\$15,000	\$15,000	\$15,000	\$40,000	\$40,000	\$40,000
Loss of both hands or both feet or one hand and one foot		\$15,000	\$15,000	\$15,000	\$40,000	\$40,000	\$40,000
Loss of sight in both eyes		\$15,000	\$15,000	\$15,000	\$40,000	\$40,000	\$40,000
Loss of hearing in both ears		\$15,000	\$15,000	\$15,000	\$40,000	\$40,000	\$40,000
Loss of ability to speak		\$15,000	\$15,000	\$15,000	\$40,000	\$40,000	\$40,000
<b>Paralysis Benefit</b>							
Two Limbs (paraplegia or hemiplegia)	N/A	\$7,500	\$7,500	\$7,500	\$20,000	\$20,000	\$20,000
Four Limbs (quadriplegia)		\$15,000	\$15,000	\$15,000	\$40,000	\$40,000	\$40,000

		LOW PLAN	HIGH PLAN
BENEFIT	BENEFIT LIMITS	ALL COVERED PERSONS	ALL COVERED PERSONS
<b>ACCIDENTAL INJURY BENEFITS CATEGORY</b>			
<b>Fracture Benefit (Closed)</b>			
Face or Nose (except mandible or maxilla)	If more than one bone is fractured, the amount we will pay for all fractures combined will be no more than 2 times the highest Fracture Benefit.	\$750	\$2,000
Skull Fracture - depressed (except bones of face or nose)		\$3,000	\$5,000
Skull Fracture - non depressed (except bones of face or nose)		\$1,500	\$2,500
Lower Jaw, Mandible (except alveolar process)		\$500	\$1,000
Upper Jaw, Maxilla (except alveolar process)		\$750	\$2,000



Upper Arm between Elbow and Shoulder (humerus)		\$750	\$2,000
Shoulder Blade (scapula), Collarbone (clavicle, sternum)		\$500	\$1,000
Forearm (radius and/or ulna), Hand, Wrist (except fingers)		\$500	\$1,000
Rib		\$500	\$1,000
Finger, Toe		\$75	\$200
Vertebrae, Body of (excluding vertebral processes)		\$1,500	\$2,000
Vertebral Process		\$500	\$750
Pelvis (includes ilium, ischium, pubis, acetabulum except coccyx)		\$1,500	\$2,000
Hip, Thigh (femur)		\$3,000	\$5,000
Coccyx		\$500	\$750
Leg (tibia and/or fibula)		\$1,500	\$2,000
Kneecap (patella)		\$500	\$750
Ankle		\$500	\$750
Foot (except toes)		\$500	\$750
Chip Fracture		25%	25%
<b>Fracture Benefit (Open)</b>			
Face or Nose (except mandible or maxilla)		\$1,500	\$4,000
Skull Fracture - depressed (except bones of face or nose)		\$6,000	\$10,000
Skull Fracture - non depressed (except bones of face or nose)		\$3,000	\$5,000
Lower Jaw, Mandible (except alveolar process)		\$1,000	\$2,000
Upper Jaw, Maxilla (except alveolar process)		\$1,500	\$4,000
Upper Arm between Elbow and Shoulder (humerus)		\$1,500	\$4,000
Shoulder Blade (scapula), Collarbone (clavicle, sternum)	If more than one bone is fractured, the amount we will pay for all fractures combined will be no more than 2 times the highest Fracture Benefit.	\$1,000	\$2,000
Forearm (radius and/or ulna), Hand, Wrist (except fingers)		\$1,000	\$2,000
Rib		\$1,000	\$2,000
Finger, Toe		\$150	\$400
Vertebrae, Body of (excluding vertebral processes)		\$3,000	\$4,000
Vertebral Process		\$1,000	\$1,500
Pelvis (includes ilium, ischium, pubis, acetabulum except coccyx)		\$3,000	\$4,000
Hip, Thigh (femur)		\$6,000	\$10,000
Coccyx		\$1,000	\$1,500
Leg (tibia and/or fibula)		\$3,000	\$4,000



Kneecap (patella)		\$1,000	\$1,500
Ankle		\$1,000	\$1,500
Foot (except toes)		\$1,000	\$1,500
Chip Fracture		25%	25%
<b>Dislocation Benefit (Closed)</b>			
Lower Jaw	If more than one joint is dislocated, the amount we will pay for all dislocations combined will be no more than 2 times the highest Dislocation Benefit.	\$500	\$1,000
Collarbone (sternoclavicular)		\$750	\$1,500
Collarbone (acromioclavicular and separation)		\$500	\$1,000
Shoulder (glenohumeral)		\$500	\$1,000
Rib		\$500	\$1,000
Elbow		\$500	\$1,000
Wrist		\$500	\$1,000
Bone or Bones of the Hand (other than fingers)		\$500	\$1,000
Hip		\$3,000	\$5,000
Knee (except patella)		\$1,500	\$2,500
Ankle - Bone or bones of the Foot (other than toes)		\$750	\$1,000
One Toe or Finger		\$75	\$200
Partial Dislocation		25%	25%
<b>Dislocation Benefit (Open)</b>			
Lower Jaw	If more than one joint is dislocated, the amount we will pay for all dislocations combined will be no more than 2 times the highest Dislocation Benefit.	\$1,000	\$2,000
Collarbone (sternoclavicular)		\$1,500	\$3,000
Collarbone (acromioclavicular and separation)		\$1,000	\$2,000
Shoulder (glenohumeral)		\$1,000	\$2,000
Rib		\$1,000	\$2,000
Elbow		\$1,000	\$2,000
Wrist		\$1,000	\$2,000
Bone or Bones of the Hand (other than fingers)		\$1,000	\$2,000
Hip		\$6,000	\$10,000
Knee (except patella)		\$3,000	\$5,000
Ankle - Bone or bones of the Foot (other than toes)		\$1,500	\$2,000
One Toe or Finger		\$150	\$400
Partial Dislocation		25%	25%
<b>Burn Benefit</b>			
2nd Degree w/ less than 10% of surface skin burnt	1 time per accident; Unlimited time(s) per calendar year	\$75	\$100
2nd Degree 10-25% surface skin burnt		\$125	\$200
2nd Degree 25-35% surface skin burnt		\$375	\$750
2nd Degree 35% or more of surface skin burnt		\$750	\$1,500



3rd Degree w/ less than 10% of surface skin burnt		\$750	\$1,500
3rd Degree 10-25% surface skin burnt		\$1,250	\$2,000
3rd Degree 25-35% surface skin burnt		\$3,750	\$7,500
3rd Degree 35% or more of surface skin burnt		\$7,500	\$15,000
<b>Concussion Benefit</b>			
Concussion	1 time(s) per calendar year	\$250	\$500
<b>Coma Benefit</b>			
Coma	1 time(s) per accident; Unlimited time(s) per calendar year	\$7,500	\$10,000
<b>Laceration Benefit</b>			
Without repair by stiches	1 time per accident; 3 time(s) per calendar year	\$35	\$75
Repaired by stiches but less than 2 inches long		\$60	\$125
Repaired by stiches and 2-6 inches long		\$150	\$350
Repaired by stiches and over 6 inches long		\$300	\$700
<b>Broken Tooth Benefit</b>			
Crown	1 time(s) per accident; Unlimited time(s) per calendar year (applies to all procedures)	\$150	\$300
Extraction	1 time(s) per accident; Unlimited time(s) per calendar year (applies to all procedures)	\$75	\$150
Filling	1 time(s) per accident; Unlimited time(s) per calendar year (applies to all procedures)	\$25	\$50
<b>Eye Injury Benefit</b>			
Eye Injury	1 time(s) per accident; Unlimited time(s) per calendar year	\$250	\$400

		LOW PLAN	HIGH PLAN
BENEFIT	BENEFIT LIMITS	ALL COVERED PERSONS	ALL COVERED PERSONS
<b>MEDICAL TREATMENT AND SERVICES BENEFITS CATEGORY</b>			
<b>Ground Ambulance Benefit</b>			
Ground Ambulance	1 time(s) per accident; Unlimited time(s) per calendar year	\$300	\$400
<b>Air Ambulance Benefit</b>			
Air Ambulance	1 time(s) per accident;	\$1,000	\$1,250



	Unlimited time(s) per calendar year		
<b>Emergency Care Benefit</b>			
Emergency Room	1 time per accident (combined with Non-Emergency Initial Care Benefit). Payable within 96 hours after the accident.	\$100	\$200
Physician's Office		\$50	\$100
Urgent Care		\$50	\$100
<b>Non-Emergency Initial Care Benefit</b>			
Non-Emergency Initial Care	1 time per accident (combined with Emergency Care Benefit)	\$50	\$100
<b>Medical Testing Benefit</b>			
Medical Testing (X-rays, MRI/MR, Ultrasound, NCV, CT/CAT, EEG)	2 time(s) per accident; Unlimited time(s) per calendar year	\$125	\$200
<b>Physician Follow-Up Benefit</b>			
Physician Follow-Up Visit	2 time(s) per accident; 6 time(s) per calendar year	\$50	\$100
<b>Transportation Benefit</b>			
Transportation	1 time(s) per accident; 2 time(s) per calendar year	\$300	\$400
<b>Therapy Services Benefit</b>			
Acupuncture	10 time(s) per accident; Unlimited time(s) per calendar year	\$25	\$50
Chiropractic Therapy		\$25	\$50
Cognitive Behavioral Therapy		\$25	\$50
Occupational Therapy		\$25	\$50
Physical Therapy		\$25	\$50
Respiratory therapy		\$25	\$50
Speech Therapy		\$25	\$50
Vocational Therapy		\$25	\$50
<b>Pain Benefit</b>			
Pain Management (for Epidural Anesthesia)	1 time(s) per accident; Unlimited time(s) per calendar year	\$50	\$100
<b>Prosthetic Device Benefit</b>			
One Device Only	1 time(s) per accident; Unlimited time(s) per calendar year	\$500	\$1,000
More than One Device		\$1,000	\$2,000
<b>Medical Appliance Benefit</b>			
Brace		\$50	\$150
Cane		\$50	\$150
Crutches		\$50	\$150
Walker - expected use < 1yr		\$100	\$200





Walker - expected use >=1 yr		\$250	\$400
Walking Boot		\$50	\$150
Wheel chair or motorized scooter - expected use < 1yr		\$100	\$300
Wheel chair or motorized scooter - expected use >=1yr		\$500	\$1,000
Other medical device used for Mobility		\$50	\$150
Medical Appliance Benefit Limit (for all appliances combined per accident)		\$500	\$1,000
<b>Modification Benefit</b>			
Modification	1 time(s) per accident; Unlimited time(s) per calendar year	\$750	\$1,500
<b>Blood/ Plasma/ Platelets Benefit</b>			
Blood/Plasma/Platelets	1 time(s) per accident; Unlimited time(s) per calendar year	\$350	\$500
<b>Surgery Benefits</b>			
Surgical Repair – Cranial		\$1,250	\$2,000
Surgical Repair – Hernia		\$125	\$200
Surgical Repair – Ruptured Disc		\$625	\$1,500
Surgical Repair – Skin Graft (% of Burn Benefit )		50%	50%
Surgical Repair – Torn Cartilage in Knee		\$625	\$1,500
Surgical Repair – Torn tendon/ligament/rotator cuff - one	1 time(s) per accident; Unlimited time(s) per calendar year	\$625	\$1,000
Surgical Repair – Torn tendon/ligament/rotator cuff - two or more		\$1,250	\$2,000
Surgical Repair – Thoracic Cavity or Abdominal Pelvic Cavity		\$1,250	\$2,000
Exploratory Surgery (for any Surgery Benefit procedure)		\$125	\$200
<b>Other Outpatient Surgery Benefit</b>			
Other Outpatient Surgery Benefit	1 time(s) per accident; Unlimited time(s) per calendar year	\$250	\$400

		LOW PLAN	HIGH PLAN
BENEFIT	BENEFIT LIMITS	ALL COVERED PERSONS	ALL COVERED PERSONS
<b>ACCIDENT – HOSPITAL BENEFITS CATEGORY</b>			
<b>Hospital Admission Benefit</b>			
Admission	1 time per accident;	\$750	\$1,500



ICU Supplemental Admission (paid in addition to Admission)	Unlimited times per calendar year	\$750	\$1,500
<b>Hospital Confinement Benefit</b>			
Confinement	15 days per accident. Payable after the first day of admission. ICU Supplemental Confinement will pay an additional benefit for 15 of those days.	\$150	\$300
ICU Supplemental Confinement (paid in addition to Confinement)		\$150	\$300
<b>Inpatient Rehabilitation Benefit</b>			
Inpatient Rehabilitation	15 days per accident; 30 days per calendar year	\$100	\$200

		<b>LOW PLAN</b>	<b>HIGH PLAN</b>
<b>BENEFIT</b>	<b>BENEFIT LIMITS</b>	<b>ALL COVERED PERSONS</b>	<b>ALL COVERED PERSONS</b>
<b>OTHER BENEFITS CATEGORY</b>			
Lodging Benefit	15 day(s) per calendar year	\$100	\$200

Notes Regarding Certain Benefits:

- Accidental Death Benefits Category: The benefit amount will be reduced by the amount of any Accidental Dismemberment/Functional Loss/Paralysis Benefits and Modification Benefit paid for Injuries sustained by the Covered Person in the same Accident for which the Accidental Death Benefit is being paid.
- Accidental Death Common Carrier Benefit: "Common Carrier": refers to airplanes, trains, buses, trolleys, subways and boats. Certain conditions apply. See your Disclosure Statement or Outline of Coverage/Disclosure Document for specific details.
- Lodging Benefit: The lodging benefit is not available in all states. It provides a benefit for a companion accompanying a covered insured while hospitalized, provided that lodging is at least 50 miles from the insured's primary residence.

Please contact MetLife for detailed definitions and state variations of covered benefits.



<b>Other Benefits</b>	
<b>Organized Sports Activity Injury Benefit Rider</b>	<p>If a covered person has an accident that is due to organized sports activity, we will pay an extra 25% of eligible benefits, subject to limitations described in the certificate, under the following benefit categories: Accidental Injury, Accident - Medical Treatment and Services, Hospital benefits.</p> <p>The Organized Sports Activity Injury Benefit Rider is pending regulatory approval in some states.</p>

<b>Connected Benefits</b>	
<b>MetLife Disability</b>	<p>MetLife will proactively notify employees and may auto-adjudicate certain medical conditions when benefits may be available under MetLife Accident &amp; Health Insurance coverages – which includes Accident, as well as Cancer, Critical Illness, or Hospital Indemnity insurance if an employee also has those coverages – after filing a MetLife Group Disability claim if the employee has MetLife Group Disability Insurance. Added at no additional cost to you or your employees.</p>

<b>MetLife Advantages<sup>SM</sup></b>	
<b>MetLife Advantages<sup>SM</sup> – Services or Discounts added at no additional cost to you or your employees</b>	<p><b>Will Preparation Services<sup>1</sup></b></p> <p>As an added benefit your employees will have access to MetLife’s online will preparation services provided by SmartLegalForms to create a binding will, living will or assign a power of attorney.</p> <p><b>MetLife VisionAccess<sup>2</sup></b></p> <p>As an added benefit your employees will have access to the MetLife VisionAccess discount program. The program provides a discount on eye exams, glasses and frames, and laser vision correction when visiting a participating private practice.</p> <p><b>Funeral Discount and Planning Services<sup>3</sup></b></p> <p>As an added benefit your employees will have access to funeral discounts and planning services. Through Dignity Memorial, employees and family members will have access to compassionate counselors as well as discounts on funeral services through the largest network of funeral homes and cemetery providers in North America.</p>

**MetLife Advantages<sup>SM</sup> Disclaimers**

MetLife Advantages<sup>SM</sup> availability varies by state.

<sup>1</sup>WillsCenter.com is a document service provided by SmartLegalForms, Inc., an affiliate of Epoq Group, Ltd. SmartLegalForms, Inc. and is not affiliated with MetLife. The WillsCenter.com service is separate and apart from any insurance or service provided by MetLife. The WillsCenter.com service does not provide access to an attorney, does not provide legal advice, and may not be suitable for your specific needs. Please consult with your financial, legal, and tax advisors for advice with respect to such matters. WillsCenter.com is available to anyone regardless of affiliation with MetLife.

<sup>2</sup>MetLife VisionAccess is a discount program and not an insured benefit. It is provided through Vision Service Plan (VSP), Rancho Cordova, CA. VSP is not affiliated with MetLife or its affiliates. MetLife Vision Access is available to anyone regardless of affiliation with MetLife.



<sup>3</sup>Funeral Discount and Planning Services - Services and discounts are provided through a member of the Dignity Memorial® Network, a brand name used to identify a network of licensed funeral, cremation and cemetery providers that are affiliates of Service Corporation International (together with its affiliates, "SCI"), 1929 Allen Parkway, Houston, Texas. The online planning site is provided by SCI Shared Resources, LLC. SCI is not affiliated with MetLife, and the services provided by Dignity Memorial members are separate and apart from the insurance provided by MetLife. SCI offers planning services, expert assistance, and bereavement travel services are available to anyone regardless of affiliation with MetLife. Discounts through Dignity Memorial's network of funeral providers have been pre-negotiated. Not available where prohibited by law. If the group policy is issued in an approved state, the discount is available for funeral services held in any state except KY and NY, or where there is no Dignity Memorial presence (AK, MT, ND, SD, and WY). For TN, the funeral services discount is available for "At Need" services only. Not approved in CT, FL, MD, MO, MT, NH, ND, NY, TX, and WA.



GROUP ACCIDENT INSURANCE EXCLUSIONS & LIMITATIONS

**PLEASE NOTE:**

Exclusions and limitations in any policy and certificate issued will be based on the policyholder's situs state, plan design and states where employees reside. If the policyholder has employees residing in the following states, that state's Exclusions and Limitations will apply: Alaska, Arkansas, Colorado, Connecticut, Florida, Idaho, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, South Carolina, South Dakota, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin, and Wyoming. The aforementioned list of states and the state variations noted below are subject to change prior to the plan enrollment period. Please contact your MetLife representative for details.

**How to read this section:**

Applicable state variations are noted in *italics* under each bolded item.

**We will not pay benefits for any loss for a Covered Person caused by the Covered Person's Sickness, or the diagnosis or treatment of such Sickness, except:**

*CT and NY: paragraph including all bullets and sub-bullets deleted*

*ID: paragraph modified to "We will not pay benefits for any loss for a Covered Person caused or contributed to by:" All bullets and sub-bullets are deleted*

*NH: "care" added after "diagnosis" and before "or"*

- **for the Covered Person's use of:**
  - **any drug, medication or sedative that is taken or used as prescribed by a Physician; or**
  - **an "over the counter" drug, medication or sedative taken as directed; or**

*WA: New bullet: "We will not pay benefits for the Covered Person's voluntary use, by any means, of poison, gas or fumes."*

**We will not pay benefits for any loss for a Covered Person caused or contributed to by:**

*IL: "or contributed to" deleted*

*ID: paragraph, bullet, and all 5 sub-bullets below deleted*

- **the Covered Person's voluntary use, by any means, of:**

*CT: bullet and all 5 sub-bullets deleted and replaced with the following: "the voluntary use, of any controlled substance as defined in Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (the Controlled Substances Act), as now or hereafter amended, unless prescribed by the Covered Person's Physician for the Covered Person;"*

*MD and WA: bullet and all 5 sub-bullets deleted*

*MN: bullet revised to read "the Covered Person's voluntary use of any narcotic, unless it is taken or used as prescribed by a physician;" and the following 4 sub-bullets are deleted*

*NJ: bullet and all 5 sub-bullets deleted and replaced with the following:*

- *"the Covered Person's voluntary use, by any means, of poison, gas or fumes;*
- *the Covered Person's intoxication or being under the influence of any narcotic unless administered or consumed on the advice of a physician;"*

NV: bullet revised to “the Covered Person’s commission of or attempt to commit a felony at the time of the Accident, which involves the voluntary use, by any means, of:”

NY: bullet and all 5 sub-bullets deleted and replaced with the following:

- “the Covered Person being under the influence of any narcotic, unless administered on the advice of a physician;
- the Covered Person being intoxicated;”

SD: bullet and all 5 sub-bullets below deleted

VT: add “and felonious” after “voluntary” and before “use”

- **any drug, medication or sedative, unless it is:**

CA: bullet and 2 sub-bullets deleted

PA: “drug, medication or sedative” deleted and replaced with “intoxicant or narcotic”

- **taken or used as prescribed by a Physician; or**
- **an “over the counter” drug, medication or sedative taken as directed;**
- **alcohol in combination with any drug, medication, or sedative; or**

AL: the following is added after “sedative”: “if label instructions for such drug, medication or sedative state that it cannot be taken safely in combination with alcohol.”

CA: bullet deleted

PA: “drug, medication or sedative” deleted and replaced with “narcotic”

- **poison, gas, or fumes;**

MN: bullet revised to “the Covered Person’s voluntary use of poison, gas or fumes”

NC: bullet revised to “the Covered Person’s voluntary inhalation of gas or fumes or voluntary taking of poison;”

PA: bullet deleted

TN: bullet revised to “the Covered Person’s intentional ingestion of poison, or intentional inhalation of gas or fumes;”

- **the Covered Person’s suicide or attempted suicide (while sane or insane);**

CO, MO and VT: “or insane” deleted

MN: bullet deleted

NY: bullet revised to “the Covered Person’s suicide, attempted suicide or intentionally self-inflicted Injury;”

- **the Covered Person’s intentionally self-inflicted injury;**

MN: bullet deleted

NY: bullet deleted – incorporated into the bullet above

MI: New bullet: “the Covered Person’s commission of or attempt to commit a felony or to which a contributing cause was the Covered Person’s being engaged in an illegal occupation or other willful criminal activity;”

- **war, whether declared or undeclared; or act of war;**

NC: bullet revised to add the following at the end: “(the term ‘war’ does not include terrorist acts);”

NY: bullet revised to “war, or act of war (whether declared or undeclared);”

OK: bullet revised to add the following at the end: “- this exclusion only applies to a Covered Person while serving in the military or an auxiliary unit attached to the military or working in an area of war whether voluntarily or as required by an employer;”

- **the Covered Person’s active participation in an insurrection, rebellion, riot, or terrorist act;**  
*ID: “rebellion” and “terrorist act” deleted*  
*MD: bullet deleted*  
*MI: the following is added to the end of the bullet “if such participation constitutes the commission of a felony or other willful criminal activity;”*  
*NY: bullet revised to “the Covered Person’s participation in a felony, riot or insurrection;”*  
*UT: “voluntary” added after “active” and before “participation”*
- **the Covered Person’s engagement in any activity that constitutes a felony under the laws of the jurisdiction in which the activity occurred;**  
*CA: bullet deleted*  
*ID: bullet changed to “the Covered Person’s participation in a felony;”*  
*MD: bullet deleted*  
*MI: bullet deleted – incorporated into a new bullet above*  
*NJ: bullet changed to “the Covered Person’s commission of or attempt to commit a felony or to which a contributing cause was the Covered Person’s engagement in an illegal occupation;”*  
*NY: bullet changed to “the Covered Person’s engagement in an illegal occupation;”*  
*UT: “engagement” deleted and replaced with “active participation”*
- **the Covered Person’s infection, other than infection occurring in an external wound resulting from an Injury;**  
*CA: “that results directly from an Accident” added after “Injury”*  
*ID and NY: bullet deleted*  
*NH: “an external wound” is changed to “a wound”*
- **food poisoning;**  
*ID, NY and UT: bullet deleted*
- **the Covered Person’s operation, while intoxicated, of a motor vehicle involved in the incident. For purposes of this exclusion:**  
*ID, MD, NY, SD and WA: bullet and two sub-bullets deleted*  
*NV: inserted after “Person’s” and before “operation”: “commission of or attempt to commit a felony at the time of the Accident, which involves the”*
  - **intoxicated means that the Insured’s blood alcohol level met or exceeded .08%; and**  
*IL: Bullet revised to: “intoxicated means that which is defined and determined by the laws of the jurisdiction where the loss or cause of the loss was incurred and the Insured’s blood alcohol level meets or exceeds .08%; and”*
  - **motor vehicle means any vehicle that is powered by a motor, including, but not limited to: an automobile; a boat; a motorcycle; a truck; an all-terrain vehicle; or a snow mobile;**  
*KY: “including, but not limited to: an automobile; a boat, a motorcycle; a truck; an all terrain vehicle; or a snow mobile” deleted*
- **dental or plastic Surgery for cosmetic purposes, except when such Surgery is performed to:**  
*ID: bullet revised to read “dental care or treatment or cosmetic Surgery, except when such Surgery is performed to:” and the sub-bullets remain unchanged*



*NY: bullet revised to “cosmetic surgery, except when such surgery is performed to reconstruct a part of the body which was disfigured or removed as a result of an Injury;”*

- **treat an Injury;**

*CA: “that results directly from an Accident” added after “Injury”*

*NH: bullet changed to “treat or provide care for an Injury;”*

*NY: bullet deleted*

- **correct a disorder of normal bodily function or structure that was caused by an Injury for which coverage is not otherwise excluded under this Certificate; or**

*CA: “that results directly from an Accident” added after “Injury”*

*NY: bullet deleted*

- **reconstruct a part of the body which was disfigured or removed as a result of an Injury for which coverage is not otherwise excluded under this Certificate;**

*CA: “that results directly from an Accident” added after “Injury”*

*NY: bullet deleted*

*ID: New bullet added “the Covered Person’s alcoholism or drug addiction;”*

- **the Covered Person’s mental illness, or the diagnosis or treatment of such mental illness, except for the Covered Person’s use of:**

*ID: bullet revised to “the Covered Person’s mental or emotional disorders or treatment of such mental or emotional disorders except for the Covered Person’s use of:”*

*MN, SD and VT: bullet and two sub-bullets deleted*

*NH: “care” added after “diagnosis” and before “or”*

*NY: bullet revised to “the Covered Person’s mental or emotional disorder, alcoholism or drug addiction;”*

- **any drug, medication or sedative that is taken or used as prescribed by a Physician; or**

*NY: bullet deleted*

- **an “over the counter” drug, medication or sedative taken as directed;**

*NY: bullet deleted*

- **activities required by the Covered Person’s service in the armed forces or any auxiliary unit of the armed forces of any country or international authority;**

*FL: “Covered Person’s” deleted and replaced by “Covered Person to carry out the duties and responsibilities of their”*

*NY: bullet revised to “the Covered Person’s service in the armed forces or any auxiliary unit of the armed forces;”*

- **the Covered Person’s travel or flight in any aircraft except as a fare-paying passenger on a regularly scheduled charter or commercial flight;**

*NY: bullet revised to “aviation, other than as a fare-paying passenger on a scheduled or charter flight operated by a scheduled airline;”*

- **the Covered Person parachuting or otherwise exiting from a motorized or non-motorized aircraft while such aircraft is in flight, except for self-preservation;**

*ID: “If acting in a professional capacity,” added at the beginning of the bullet*

*NY: bullet deleted*

- **the Covered Person riding in or driving any motor-driven vehicle in a race, stunt show or speed test;**



ID, NY and OR: bullet deleted

MN: "in a professional capacity in" added after "driving" and before "any"

- **the Covered Person participating in any semi-professional or professional competitive athletic activity for which any type of compensation or remuneration is received;**

ID: "semi-professional or" deleted

NY and SD: bullet deleted

- **the Covered Person bungee jumping, base jumping, hang gliding, para-kiting, sail-gliding, scuba diving deeper than 130 feet; spelunking; or mountaineering including rock climbing using ropes and any other climbing equipment. For the purposes of this exclusion the term mountaineering does not include backpacking, mountain biking, hiking or trail running.**

ID: bullet revised to "if acting in a professional capacity, the Covered Person hang gliding, para-kiting, or sail-gliding."

NY and OR: bullet deleted

**In addition, We will not pay benefits for:**

NY: this paragraph, including all of the bullets and sub-bullets, is replaced with the following: "In addition, we will not pay benefits for services or treatment received outside of the United States, Canada or Mexico."

- **a Covered Person while incarcerated in any type of penal or detention facility;**

ID, LA, and MO: bullet deleted

MD: an additional bullet is added which reads "any claim for health care services that the appropriate regulatory board determines were provided as a result of a prohibited referral under § 1-302 of the Health Occupations Article;"

- **any of the following outside of the United States, Canada or Mexico:**
  - **any medical or healthcare treatment, services or transportation described in the Accident – Medical Treatment & Services Benefits section of this Certificate;**

NH: add "care" after "medical" and before "or healthcare treatment". Replace "Medical Treatment & Services" with "Medical Care & Services"

- **any inpatient admission or stay in any medical or health care facility.**

(CA: the following two exclusions are added:)

**Intoxicants and Controlled Substances**

We will not be liable for any loss sustained or contracted in consequence of the Covered Person being intoxicated or under the influence of any controlled substance, unless administered on the advice of a Physician.

**Illegal Occupation or Commission of a Felony**

We will not be liable for any loss for a Covered Person to which a contributing cause was:

- the Covered Person's commission of or attempt to commit a felony; or
- such Covered Person being engaged in an illegal occupation.

(CT: The following definition is added:)

**"Participation in a Riot** means all forms of public violence, disorder or disturbance of the peace by three or more persons. It does not matter whether:

- there was common intent; or
- there was intent to damage any person or property, or to break the law.



**General Disclaimer:**

*METLIFE'S ACCIDENT INSURANCE IS A LIMITED BENEFIT GROUP INSURANCE POLICY. The policy is not intended to be a substitute for medical coverage and certain states may require the insured to have medical coverage to enroll for the coverage. The policy or its provisions may vary or be unavailable in some states. There are benefit reductions that begin at age 65, if applicable. Like most group accident and health insurance policies, policies offered by MetLife may include waiting periods and contain certain exclusions, limitations and terms for keeping them in force. For complete details of coverage and availability, please refer to the group policy form GPNP12-AX or contact MetLife.*

*Benefits are underwritten by Metropolitan Life Insurance Company, New York, NY. Hospital does not include certain facilities such as nursing homes, convalescent care or extended care facilities. See MetLife's Disclosure Statement or Outline of Coverage/Disclosure Document for full details.*

*Some services in connection with the coverage may be performed by Transaction Applications Group, Inc. a wholly owned subsidiary of NTT Data Services, LLC. This service arrangement in no way alter Metropolitan Life Insurance Company's obligations. Coverage will continue to be administered in accordance with Metropolitan Life Insurance Company's policies and procedures.*



**Metropolitan Life Insurance Company**

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New York, NY 10166  
[www.metlife.com](http://www.metlife.com)

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O,MT,NE,NV,NH,NJ,NM,NY,NC,ND,OH,OK,OR,PA,RI,SC,SD,TN,TX,TOK,UT,VT,VA,WA,WV,WI,WY,DC,GU,MP,PR,VI]



## U.S. Business Intermediary and Producer Compensation Notice

Metropolitan Life Insurance Company, Metropolitan Tower Life Insurance Company, MetLife Consumer Services, Inc. and Metropolitan General Insurance Company (collectively herein called “MetLife”), enters into arrangements concerning the sale, servicing and/or renewal of MetLife group insurance and certain other group-related insurance and non-insurance products (“Products”) with brokers, agents, consultants, third party administrators, general agents, associations, and other parties that may participate in the sale, servicing and/or renewal of such products (each an “Intermediary”). MetLife may pay your Intermediary compensation, which may include, among other things, base compensation, supplemental compensation and/or a service fee. MetLife may pay compensation for the sale, servicing and/or renewal of products, or remit compensation to an Intermediary on your behalf. Your Intermediary may also be owned by, controlled by or affiliated with another person or party, which may also be an Intermediary and who may also perform marketing and/or administration services in connection with your products and be paid compensation by MetLife.

Base compensation, which may vary from case to case and may change if you renew your products with MetLife, may be payable to your Intermediary as a percentage of premium or a fixed dollar amount. MetLife may also pay your Intermediary compensation that is based upon your Intermediary placing and/or retaining a certain volume of business (*number of products sold or dollar value of premium*) with MetLife. In addition, supplemental compensation may be payable to your Intermediary for eligible Products. Under MetLife’s current supplemental compensation plan (SCP), the amount payable as supplemental compensation may range from 0% to 8% of premium or fees. The supplemental compensation percentage may be based on one or more of: (1) the number of products sold through your Intermediary during a one-year period, or other defined period; (2) the amount of eligible new or renewal premium or fees with respect to products sold through your Intermediary during a one-year period; (3) the persistency percentage of products inforce through your Intermediary during a one-year period; (4) the block growth of the products inforce through your Intermediary during a one-year period; (5) eligible new or renewal premium or fees growth during a one-year period; or (6) a flat amount, fixed percentage or sliding scale of the premium or fees for products as set by MetLife. The supplemental compensation percentage will be set by MetLife based on the achievement of the outlined qualification criteria and it may not be changed until the following SCP plan year. As such, the supplemental compensation percentage may vary from year to year, but will not exceed 8% under the current supplemental compensation plan.

The cost of supplemental compensation is not directly charged to the price of our products except as an allocation of overhead expense, which is applied to all eligible group insurance products, whether or not supplemental compensation is paid in relation to a particular sale or renewal. As a result, your rates will not differ by whether or not your Intermediary receives supplemental compensation. If your Intermediary collects the premium or fees from you in relation to your products, your Intermediary may earn a return on such amounts. Additionally, MetLife may have a variety of other relationships with your Intermediary or its affiliates, or with other parties, that involve the payment of compensation and benefits that may or may not be related to your relationship with MetLife (e.g., *insurance and employee benefits exchanges, enrollment firms and platforms, sales contests, consulting agreements, participation in an insurer panel, or reinsurance arrangements*).

More information about the eligibility criteria, limitations, payment calculations and other terms and conditions under MetLife’s base compensation and supplemental compensation plans can be found on MetLife’s Website at [www.metlife.com/business-and-brokers/broker-resources/broker-compensation](http://www.metlife.com/business-and-brokers/broker-resources/broker-compensation). Questions regarding Intermediary compensation can be directed to [ask4met@metlifeservice.com](mailto:ask4met@metlifeservice.com), or if you would like to speak to someone about Intermediary compensation, please call (800) ASK 4MET. In addition to the compensation paid to an Intermediary, MetLife may also pay compensation to your representative. Compensation paid to your representative is for participating in the sale, servicing, and/or renewal of products, and the compensation paid may vary based on a number of factors including the type of product(s) and volume of business sold. If you are the person or entity to be charged under an insurance policy or annuity contract, you may request additional information about the compensation your representative expects to receive as a result of the sale or concerning compensation for any alternative quotes presented, by contacting your representative or calling (866) 796-1800.

## Non-U.S. Coverage

When providing you with information concerning an eligible group insurance policy issued or proposed to your affiliate or subsidiary outside the United States by a MetLife affiliate or by other locally licensed insurers that are members of the MAXIS Global Benefits Network (MAXIS GBN), New York insurance law requires the person providing the information to be licensed as an insurance broker. In this capacity, the information provided to you will only be on behalf of such insurers and not on behalf of MetLife or any other insurer that is not a member of MAXIS GBN. Please note that while MetLife is a member of MAXIS GBN and is licensed to transact insurance business in New York, the other MAXIS GBN member insurers are not licensed or authorized to do business in New York. The group insurance policies they issue are for coverage outside the United States and are governed by the laws of the country they were issued in. These policies have not been approved by the New York Superintendent of Financial Services, are not subject to all of the laws of New York, and are not protected by the New York State Guaranty Fund.



**PROPRIETARY & CONFIDENTIAL**

# Employee Benefits Proposal

## Group Hospital Indemnity Insurance

State of Nebraska

Employee Paid Offer

Proposal Date: 12/18/2024

Proposal Valid Until: 3/18/2025

Proposed Customer Effective Date: 7/1/2025

V11.2

HI 16 Plan Design 1 [NS] [Plan Info] [Exclusions] [Benefit Amts]

## PROPRIETARY & CONFIDENTIAL

# Group Hospital Indemnity Benefits

MetLife is pleased to offer you an opportunity to provide your employees with financial protection through our group Hospital Indemnity Insurance as part of our voluntary products portfolio. Hospital Indemnity Insurance provides features that could be valuable to your employees, including:

- ✓ Benefits available due to hospitalization and associated treatment<sup>1</sup>;
- ✓ Portability through Continued Insurance with Premium Payment which gives employees the ability to keep their existing coverage when their employment status with the employer changes;
- ✓ No coordination with other insurance benefits;
- ✓ Employees are paid a lump-sum benefit that they can use as they feel necessary.
- ✓ Employees and their families will have access to discounts or services that will provide them actionable tools and resources to help them navigate life's twists and turns.<sup>2</sup>

MetLife Hospital Indemnity Insurance can supplement existing medical coverage and help provide financial support to pay for out-of-pocket expenses such as deductibles, co-payments, and non-covered medical services. Benefits are paid regardless of what is covered by medical insurance. Payments are made directly to covered employees to spend as they choose.

## General Enrollment Strategy Requirements

MetLife requires the employer to enable MetLife to raise awareness of the program among employees by communicating relevant information in an appropriate manner. Employer obligations include:

1. Premiums collected via payroll deduction;
2. Agreed upon enrollment method specified in this proposal including on-site enrollment support;
  - Distribution of all required enrollment materials identified by MetLife.
  - Communication through a minimum of 3 employee touch points (e.g., education through materials, emails, intranet/newsletters, onsite meetings).
3. No competing Hospital Indemnity Plan programs.

*Failure to meet the requirements outlined above and/or changes to the agreed upon enrollment strategy will likely result in changes to this offering, including an increase in product rates, a change to the rate guarantee period or the program not being offered.*

*MetLife's proposal assumes an employer's agreement to provide the required enrollment strategy.*

*It is possible that combining ERISA benefit plans and voluntary insurance benefits on the same enrollment ballot may cause some voluntary insurance benefits to be deemed ERISA plans. There are steps that you can take in placing voluntary benefits on your ERISA ballot that can mitigate the risks. Specifically, segregating the ERISA and non-ERISA offerings on the ballot. We urge you to consult with your own advisor(s) on this matter.*

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<sup>1</sup> Availability of certain benefits is subject to state variations and customer plan design.

<sup>2</sup> Discounts or services may not be available in all states.

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The following section describes assumptions, specific program design, and rates being proposed for this group customer.

Proposal Assumptions	
<b>Situs State</b>	NE <u>Residents of most states will be covered by the situs state plan. Residents of certain states will be covered by a state specific certificate of insurance due to these states having extraterritorial laws. For specific state variations on Program Design, Benefits, Limitations and Exclusions, please contact MetLife.</u>
<b>Standard Industry Code (SIC)</b>	9199
<b>Number of Eligible Employees</b>	17,173
<b>Employee Eligibility</b>	<ul style="list-style-type: none"> <li>• Employees will be subject to an active at work requirement.</li> <li>• Must be a resident of the United States.</li> <li>• An employee must be enrolled for coverage for their Spouse / Domestic Partner and / or Dependent Child(ren) to be eligible for coverage.</li> <li>• Child(ren) are eligible for coverage from birth to age 26. Spouses / domestic partners and dependent child(ren) must not be subject to any medical restrictions as set forth on the enrollment form and in the Certificate. Coverage for Domestic Partners varies by state. The definitions of Domestic Partner and Children may vary by state.</li> <li>• Retirees are not eligible to enroll.</li> <li>• VT residents are required to be eligible for coverage if they work at least 17.5 hours a week.</li> <li>• The demographics and details of potential covered insureds living and working outside the United States should be discussed with your MetLife representative. This product has contractual exclusions and limitation on claims events that occur overseas.</li> </ul>
<b>Takeover</b>	No
<b>Contributions</b>	100% Employee Paid
<b>Commissions</b>	Level 0% first year and subsequent years.
<b>Enrollment Method</b>	On Ballot
<b>Implementation Timeline</b>	The minimum lead time required to implement your plan is dependent on the method by which the plan will be billed and will be between 10 and 16 weeks from the date of the initial implementation meeting.

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Plan Design <sup>3</sup>	
<b>Coverage Type</b>	Hospitalization Reason – Accident: 24 Hour coverage Hospitalization Reason – Sickness: 24 Hour Coverage
<b>Benefit Amount</b>	Employees will have a choice of selecting coverage between two options: Low or High on a guaranteed issue. Benefits are based on flat schedule amount that varies depending on plan.
<b>Underwriting Offer</b>	Guaranteed Issue <sup>4</sup>  Benefits are paid directly to the employee based on flat schedule (not reimbursement) and there is no coordination with other insurance coverage.
<b>Waiting Period for Sickness - Hospital Admission and Confinement Benefits</b>	None
<b>Pre-Existing Condition Limitation</b>	Not Included.
<b>Complications of Pregnancy</b>	Complications of pregnancy and emergency Cesarean section are covered.
<b>Routine Childbirth</b>	Routine, vaginal delivery of a child or children or delivery of a child or children by non-emergency Cesarean section are covered.
<b>Elimination Period for Routine Childbirth</b>	Not Included.
<b>Mental Illness</b>	Treatment for mental illness in a hospital or in an inpatient rehabilitation facility without prior hospitalization is covered.
<b>Drugs &amp; Alcohol</b>	Treatment for alcoholism and drug addiction in a hospital or in an inpatient rehabilitation facility without prior hospitalization is covered.  Injury or illness resulting from drug and alcohol misuse is covered, except driving under the influence.
<b>Benefit Reduction Due to Age</b>	Not Included.
<b>Portability (continuation of insurance with premium payment)<sup>7</sup></b>	“Portability” is available through our Continuation of Insurance provision. Employees who are no longer eligible for coverage under the plan (e.g. if their employment ends or if they retire or due to their movement to a non-eligible class or, unless they become eligible for similar coverage, if the group policy ends) may continue their coverage on a MetLife direct-billed basis.

<sup>3</sup> Ask your MetLife representative for information on other plan designs and benefits that may be available based on MetLife's guidelines, group size, underwriting and state requirements.

<sup>4</sup> Coverage is guaranteed provided (1) the employee is actively at work and (2) dependents are not subject to medical restrictions as set forth on the enrollment form and in the Certificate. Some states require the insured to have medical coverage.

<sup>7</sup> Eligibility for portability through the Continued Insurance with Premium Payment provision may be subject to certain eligibility requirements and limitations. For more information, contact your MetLife representative.



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Rate Information	
<b>Rate Structure</b>	Composite Rates
<b>Rate Guarantee period</b>	5 years, subsequent years' rates subject to change.
<b>Policy and Rate Changes</b>	<p>Policy Premiums are due on the first day of each month.</p> <p>This quote assumes an extended premium payment grace period ("premium drag") of 60 days.</p> <p>MetLife reserves the right to change its rates for any of the following reasons:</p> <ul style="list-style-type: none"> <li>• The composition of the group, employees, dependents or the Hospital Indemnity insurance volume has changed 10% or more from the date when quoted.</li> <li>• Any of the plan designs are changed.</li> <li>• A change in applicable law requires a change in the insurance provided by the policy or the classes of persons eligible for insurance under the plan.</li> </ul>
<b>Supplemental Fees</b>	We will pay an administrative fee equal to 3% of premium.

**Proposed Rates – Low Plan**

Type	Monthly (12)
Employee Only	\$6.06
Employee + Spouse	\$12.33
Employee + Children	\$10.08
Employee + Spouse and Children	\$16.35

**Proposed Rates – High Plan**

Type	Monthly (12)
Employee Only	\$10.48
Employee + Spouse	\$21.35
Employee + Children	\$16.95
Employee + Spouse and Children	\$27.83

*Note: Final implemented rates may vary slightly due to rounding.*

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### Covered Benefits

Please contact MetLife for detailed definitions and state variations of covered benefits.

Subcategory	Benefit Limits (Applies to Subcategory)	Benefit	Low Plan	High Plan
<b>Hospital Benefits</b>				
Admission Benefit	4 time(s) per calendar year <sup>1</sup>	Admission	\$500	\$1,000
		ICU Supplemental Admission (Benefit paid concurrently with the Admission benefit when a Covered Person is admitted to ICU)	\$500	\$1,000
Confinement Benefit	15 days per calendar year ICU Supplemental Confinement will pay an additional benefit for 15 of those days	Confinement <sup>4</sup>	\$100	\$200
		ICU Supplemental Confinement (Benefit paid concurrently with the Confinement benefit when a Covered Person is admitted to ICU)	\$100	\$200
Confinement Benefit for Newborn Nursery Care	2 day(s) per confinement	Confinement Benefit for Newborn Nursery Care <sup>5</sup>	\$25	\$50
Inpatient Rehabilitation Benefit	15 days per calendar year	Inpatient Rehabilitation (For Injury or Sickness)	\$100	\$200
<b>Other Benefits</b>				
Health Screening Benefit <sup>7</sup>	1 time(s) per calendar year per covered person	Health Screening	\$50	\$50

\*Any benefit(s) marked with an asterisk requires a prior Hospital Admission or Confinement.

<sup>1</sup> If a covered person is readmitted within 90 days for the same or related sickness/injury for which we paid an Admission Benefit, an additional Admission Benefit is not payable.

<sup>4</sup> If the Admission Benefit is payable for a Confinement, the Confinement Benefit will begin to be payable the day after Admission.

<sup>5</sup> Payable for the period of newborn confinement for a newborn child who is not sick or injured.

<sup>7</sup> In certain states, the Health Screening Benefit is provided by MetLife Consumer Services as a separate service and is not part of the insurance coverage. This does not impact the Health Screening Benefit's availability, cost, or the way in which the service is accessed. The covered health screenings are: Routine health check-up exam (annual physical exam), biopsies for cancer, blood chemistry panel, blood test to determine total cholesterol, blood test to determine triglycerides, bone marrow testing, breast MRI, breast ultrasound, breast sonogram, cancer antigen 15-3 blood test for breast cancer (CA 15-3), cancer antigen 125 blood test for ovarian cancer (CA 125), carcinoembryonic antigen blood test for colon cancer (CEA), carotid doppler, complete blood count (CBC), chest x-rays, clinical testicular exam, colonoscopy, coronavirus testing, dental exam, digital rectal exam (DRE), Doppler screening for cancer, Doppler screening for peripheral vascular disease, Echocardiogram, electrocardiogram (EKG), electroencephalogram (EEG), endoscopy, eye exam, fasting blood glucose test, fasting plasma glucose test, flexible sigmoidoscopy, hearing test, hemocult stool specimen, hemoglobin A1C, human papillomavirus (HPV) vaccination, immunization, lipid panel, mammogram, oral cancer screening, pap smears or thin prep pap test, prostate-specific antigen (PSA) test, serum cholesterol test to determine LDL and HDL levels, serum protein electrophoresis, skin cancer biopsy, skin cancer screening, skin exam, stress test on bicycle or treadmill, successful completion of smoking cessation program, tests for sexually transmitted infections (STIs), thermography, two hour post-load plasma glucose test, ultrasounds for cancer detection, ultrasound screening of the abdominal aorta for abdominal aortic aneurysms and virtual colonoscopy.

Please contact MetLife for detailed definitions and state variations of covered benefits.

**PROPRIETARY & CONFIDENTIAL**

<b>Other Benefits</b>	
<b>Health Screening Benefit</b>	<p>Paid one time per calendar year.</p> <p>The screening/prevention measures for which a Health Screening Benefit may be paid are: routine health check-up exam; biopsies for cancer; blood chemistry panel; blood test to determine total cholesterol; blood test to determine triglycerides; bone marrow testing; breast MRI; breast ultrasound; breast sonogram; cancer antigen 15-3 blood test for breast cancer (CA 15-3); cancer antigen 125 blood test for ovarian cancer (CA 125); carcinoembryonic antigen blood test for colon cancer (CEA); carotid doppler; chest x-rays; clinical testicular exam; colonoscopy; complete blood count (CBC); coronavirus testing; dental exam; digital rectal exam (DRE); Doppler screening for cancer; Doppler screening for peripheral vascular disease; echocardiogram; electrocardiogram (EKG); electroencephalogram (EEG); endoscopy; eye exam; fasting blood glucose test; fasting plasma glucose test; flexible sigmoidoscopy; hearing test; hemocult stool specimen; hemoglobin A1C; human papillomavirus (HPV) vaccination; immunization; lipid panel; mammogram; oral cancer screening; pap smears or thin prep pap test; prostate-specific antigen (PSA) test; serum cholesterol test to determine LDL and HDL levels; serum protein electrophoresis; skin cancer biopsy; skin cancer screening; skin exam; stress test on bicycle or treadmill; successful completion of smoking cessation program; tests for sexually transmitted infections (STIs); thermography; two hour post-load plasma glucose test; ultrasounds for cancer detection; ultrasound screening of the abdominal aorta for abdominal aortic aneurysms; or virtual colonoscopy.</p> <p>If a Health Screening Benefit is offered under your plan, please note that in certain states, it is provided by MetLife Consumer Services as a separate service and is not part of the group insurance policy. This does not impact the Health Screening Benefit's availability to your employees, total cost to you or your employees, or the way in which employees access the service. Your total cost reflects the fee for the service and there is no administrative or contractual impact to you.</p>

<b>Connected Benefits</b>	
<b>MetLife Disability</b>	<p>MetLife will proactively notify employees and may auto-adjudicate certain medical conditions when benefits may be available under MetLife Accident &amp; Health Insurance coverages – which includes Hospital Indemnity, as well as Accident, Cancer or Critical Illness insurance if an employee also has those coverages – after filing a MetLife Group Disability claim if the employee has MetLife Group Disability Insurance. Added at no additional cost to you or your employees.</p>

<b>MetLife Advantages<sup>SM</sup></b>	
<b>MetLife Advantages<sup>SM</sup> – Services or Discounts added at no additional cost to you or your employees</b>	<p><b>Will Preparation Services<sup>1</sup></b></p> <p>As an added benefit your employees will have access to MetLife's online will preparation services provided by SmartLegalForms to create a binding will, living will or assign a power of attorney.</p>

## PROPRIETARY & CONFIDENTIAL

	<p><b>MetLife VisionAccess<sup>2</sup></b></p> <p>As an added benefit your employees will have access to the MetLife VisionAccess discount program. The program provides a discount on eye exams, glasses and frames, and laser vision correction when visiting a participating private practice.</p> <p><b>Funeral Discount and Planning Services<sup>3</sup></b></p> <p>As an added benefit your employees will have access to funeral discounts and planning services. Through Dignity Memorial, employees and family members will have access to compassionate counselors as well as discounts on funeral services through the largest network of funeral homes and cemetery providers in North America.</p>
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### MetLife Advantages<sup>SM</sup> Disclaimers

MetLife Advantages<sup>SM</sup> availability may vary by state.

<sup>1</sup>WillsCenter.com is a document service provided by SmartLegalForms, Inc., an affiliate of Epoq Group, Ltd. SmartLegalForms, Inc. and is not affiliated with MetLife. The WillsCenter.com service is separate and apart from any insurance or service provided by MetLife. The WillsCenter.com service does not provide access to an attorney, does not provide legal advice, and may not be suitable for your specific needs. Please consult with your financial, legal, and tax advisors for advice with respect to such matters. WillsCenter.com is available to anyone regardless of affiliation with MetLife.

<sup>2</sup>MetLife Vision Access is a discount program and not an insured benefit. It is provided through Vision Service Plan (VSP), Rancho Cordova, CA. VSP is not affiliated with MetLife or its affiliates. MetLife Vision Access is available to anyone regardless of affiliation with MetLife.

<sup>3</sup>Funeral Discount and Planning Services - Services and discounts are provided through a member of the Dignity Memorial® Network, a brand name used to identify a network of licensed funeral, cremation and cemetery providers that are affiliates of Service Corporation International (together with its affiliates, "SCI"), 1929 Allen Parkway, Houston, Texas. The online planning site is provided by SCI Shared Resources, LLC. SCI is not affiliated with MetLife, and the services provided by Dignity Memorial members are separate and apart from the insurance provided by MetLife. SCI offers planning services, expert assistance, and bereavement travel services to anyone regardless of affiliation with MetLife. Discounts through Dignity Memorial's network of funeral providers have been pre-negotiated. Not available where prohibited by law. If the group policy is issued in an approved state, the discount is available for funeral services held in any state except KY and NY, or where there is no Dignity Memorial presence (AK, MT, ND, SD, and WY). For TN, the funeral services discount is available for "At Need" services only. Not approved in FL, MD, MO, ND, NH, NJ, NY, TX, or WA.

**PROPRIETARY & CONFIDENTIAL**  
**GROUP HOSPITAL INDEMNITY INSURANCE EXCLUSIONS AND LIMITATIONS**

**PLEASE NOTE:**

Exclusions and limitations in any policy and certificate issued will be based on the policyholder's situs state, plan design and states where employees reside. If the policyholder has employees residing in the following states, that state's Exclusions and Limitations will apply: Alaska, Arkansas, Connecticut, Louisiana, Minnesota, Mississippi, Montana, New Mexico, North Carolina, Ohio, Oklahoma, Oregon, South Carolina, Texas, Utah, Vermont, Washington, West Virginia, and Wisconsin.

**How to read this section:**

Exclusions appear in **bold font**. Applicable state variations are noted in *italics*.

**We will not pay benefits for any loss due to an Accident or Sickness for a covered person caused or contributed to by any of the following:**

*IL: deleted the words "or contributed to"*

- *NY: the following bullet is added: "the covered person being intoxicated"*  
  
*WA: the following sentence is added preceding the bullets below: "We will not pay benefits for any loss for a covered person caused or contributed to by:"*
- **war, whether declared or undeclared; or act of war**  
*NC: added "(the term "war" does not include terrorist acts)"*  
*OK: bullet revised to add the following at the end: "- this exclusion only applies to a covered person while serving in the military or an auxiliary unit attached to the military or working in an area of war whether voluntarily or as required by an employer;"*  
*NY: bullet revised to read "war, or act of war (whether declared or undeclared)"*
- **the covered person's active participation in an insurrection, rebellion, riot, or terrorist act**  
*CA, OR: "or terrorist act" deleted*  
*MD: bullet deleted*  
*MI: bullet revised to read "the covered person's active participation in an insurrection, rebellion, riot, or terrorist act if such participation constitutes the commission of a felony or other willful criminal activity;"*  
*UT: "voluntary" added after "person's" and before "active"*  
*NY: bullet revised to read "the covered person's participation in a felony, riot or insurrection"*
- **the covered person's engagement in any activity that constitutes a felony under the laws of the jurisdiction in which the activity occurred**  
*CA, MD: bullet deleted*  
*MI: bullet revised to read "the covered person's commission or attempt to commit a felony or to which a contributing cause was being engaged in an illegal occupation or other willful criminal activity"*  
*NJ: bullet revised to read "the covered person's commission of or attempt to commit a felony or to which a contributing cause was the covered person's engagement in an illegal occupation"*  
*UT: "engagement" deleted and replaced with "active participation"*  
*IL: bullet revised to read "the covered person's engagement in any occupation that constitutes a felony under applicable law"*  
*NY: bullet revised to read "the covered person's engagement in an illegal occupation"*
- **dental procedures or surgery except as the result of an Accident causing Injury to a sound natural tooth**  
*CO: "or to reconstruct a part of the body which was disfigured or removed as a result of a Congenital Anomaly of a Dependent Child" added after "sound natural tooth"*  
*SD: "sound natural" deleted*  
*NY: bullet revised to read "dental procedures or surgery except as the result of an accident causing Injury to a sound natural tooth"*

## PROPRIETARY & CONFIDENTIAL

- **cosmetic surgery, except when such surgery is performed to:**  
*NY: bullet and all 3 sub-bullets deleted and replaced with "cosmetic surgery, except when such surgery is performed to reconstruct a part of the body which was disfigured or removed as a result of an injury or sickness"*
- **treat an Injury or Sickness;**  
*CO: New sub-bullet added after treat an Injury or Sickness;". "Reconstruct a part of the body which was disfigured or removed as a result of a Congenital Anomaly of a Dependent Child;"*  
*NC: "or congenital anomaly" added after "Sickness"*
- **correct a disorder of normal bodily function or structure that was caused by an Injury or Sickness for which coverage is not otherwise excluded under the certificate; or**  
*NC: "or congenital anomaly" added after "Sickness"*
- **reconstruct a part of the body which was disfigured or removed as a result of an Injury or Sickness for which coverage is not otherwise excluded under the certificate**  
*ID: "a trauma, infection or other disease that results from" added after "result of" and before "an Injury".*  
*The following is added as a bulleted item when children are eligible for coverage "reconstruct a part of the body which was disfigured or removed as a result of congenital disease or congenital anomaly of a dependent child"*  
*NC: "or congenital anomaly" added after "Sickness"*
- **activities required by the covered person's service in the armed forces or any auxiliary unit of the armed forces of any country or international authority**  
*FL: bullet revised to read "activities required by the covered person to carry out the duties and responsibilities of their service in the armed forces or any auxiliary unit of the armed forces of any country or international authority"*  
*NY: bullet revised to read "the covered person's service in the armed forces or any auxiliary unit of the armed forces"*

### **In addition, We will not pay benefits for:**

*MD: the following bullet is added: "any claim for health care services that the appropriate regulatory board determines were provided as a result of a prohibited referral under § 1-302 of the Health Occupations Article"*

- **a covered person while incarcerated in any type of penal or detention facility**  
*ID, LA, MO, NH, NY: bullet deleted*
- **any of the following outside of the United States, Canada or Mexico:**
  - **any medical or healthcare treatment, services or transportation; or**
  - **any inpatient admission or stay in any medical or health care facility**  
*NY: bullet and both sub-bullets deleted and replaced with "we will not pay benefits for services or treatment received outside of the United States, Canada or Mexico"*

*CA: the following two exclusions are added:*

#### **INTOXICANTS AND CONTROLLED SUBSTANCES**

*We shall not be liable for any loss sustained or contracted in consequence of the Covered Person's being intoxicated or under the influence of any controlled substance unless administered on the advice of a Physician.*

#### **ILLEGAL OCCUPATION OR COMMISSION OF A FELONY**

*We shall not be liable for any loss to which a contributing cause was the commission of or attempt to commit a felony by the Covered Person whose injury or sickness is the basis of claim, or to which a contributing cause was such Covered Person's being engaged in an illegal occupation.*

**The following additional exclusions apply to payment of benefits for any loss due to an Accident:**

## PROPRIETARY & CONFIDENTIAL

**We will not pay benefits for any loss due to an Accident for a covered person caused or contributed to by any of the following:**

*IL: deleted the words "or contributed to"*

- **the covered person's operation, while intoxicated, of a motor vehicle involved in the incident. For purposes of this exclusion:**  
*CA, MD, SD, WA: bullet and two sub-bullets deleted*  
*NV: added before the word "operation" in the above bullet: "commission of or attempt to commit a felony at the time of the accident, which involves the"*  
*NY: bullet and two sub-bullets deleted*
  - **intoxicated means that the covered person's blood alcohol level met or exceeded .08%; and**  
*IL: bullet revised to read "intoxicated means that which is defined and determined by the laws of the jurisdiction where the loss or cause of the loss was incurred and the covered person's blood alcohol level meets or exceeds .08%"*
  - **motor vehicle means any vehicle that is powered by a motor, including, but not limited to: an automobile; a boat; a motorcycle; a truck; an all-terrain vehicle; or a snow mobile**  
*KY: "including, but not limited to: an automobile; a boat, a motorcycle; a truck; an all terrain vehicle; or a snow mobile" deleted*  
*NH: sub-bullet deleted*
- **the covered person's travel or flight in any aircraft except as a fare-paying passenger on a regularly scheduled charter or commercial flight**  
*NY: bullet revised to read "we will not pay benefits for any loss due to an accident for a covered person caused or contributed to by aviation, other than as a fare-paying passenger on a scheduled or chartered flight operated by a scheduled airline"*
- **the covered person parachuting or otherwise exiting from a motorized or non-motorized aircraft while such aircraft is in flight, except for self-preservation**  
*ID: "if acting in a professional capacity" added at the beginning of this bulleted item*  
*NH, NY: bullet deleted*
- **the covered person riding in or driving any motor-driven vehicle in a race, stunt show or speed test**  
*CT, MN: "in a professional capacity" added after "driving" and before "any"*  
*NE: bullet revised to read "the covered person riding in or driving any motor-driven vehicle in an organized race, stunt show or speed test"*  
*NH: "in a professional capacity" added after "speed test"*  
*NY: bullet deleted*  
*OR: bullet deleted*
- **the covered person participating in any semi-professional or professional competitive athletic activity for which any type of compensation or remuneration is received**  
*NH: "semi-professional or" deleted*  
*NY, SD: bullet deleted*
- **the covered person bungee jumping, base jumping, hang gliding, para-kiting, sail-gliding, scuba diving deeper than 130 feet; spelunking; or mountaineering including rock climbing using ropes and any other climbing equipment for the purposes of this exclusion the term mountaineering does not include backpacking, mountain biking, hiking or trail running**  
*NH, NY, OR: bullet deleted*

**The following additional exclusions apply to payment of benefits for any loss due to a Sickness:**

**We will not pay benefits under the certificate for:**

## **PROPRIETARY & CONFIDENTIAL**

- **a dependent child's routine pregnancy or routine childbirth and any well baby or nursing care provided to the dependent child's newborn child**  
*MT, NH: bullet deleted*  
*NJ: "or a civil union child's" is added after "dependent child's" in the two places that "dependent child's" appears*  
*OH: bullet revised to read "any well baby or nursing care provided to a covered person's newborn child or children"*



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### **General Disclaimer:**

*METLIFE'S HOSPITAL INDEMNITY INSURANCE IS A LIMITED BENEFIT GROUP INSURANCE POLICY. The policy is not intended to be a substitute for medical coverage and certain states may require the insured to have medical coverage to enroll for the coverage. The policy or its provisions may vary or be unavailable in some states. Prior hospital confinement may be required to receive certain benefits. There may be a preexisting condition limitation for hospital sickness benefits. MetLife's Hospital Indemnity Insurance may be subject to benefit reductions that begin at age 65. Like most group accident and health insurance policies, policies offered by MetLife may contain certain exclusions, limitations and terms for keeping them in force. For complete details of coverage and availability, please refer to the group policy form GPNP12-AX, GPNP13-HI, GPNP16-HI or GPNP12-AX-PASG, or contact MetLife. Benefits are underwritten by Metropolitan Life Insurance Company, New York, New York. In certain states, availability of MetLife's Group Hospital Indemnity Insurance is pending regulatory approval.*

*Some services in connection with the coverage may be performed by our affiliate, MetLife Services and Solutions, LLC or by Transaction Applications Group, Inc. a wholly owned subsidiary of NTT Data Services, LLC. These service arrangements in no way alter Metropolitan Life Insurance Company's obligations. Coverage will continue to be administered in accordance with Metropolitan Life Insurance Company's policies and procedures.*

### **Metropolitan Life Insurance Company**

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### **U.S. Business Intermediary and Producer Compensation Notice**

Metropolitan Life Insurance Company, Metropolitan Tower Life Insurance Company, MetLife Consumer Services, Inc. and Metropolitan General Insurance Company (collectively herein called "MetLife"), enters into arrangements concerning the sale, servicing and/or renewal of MetLife group insurance and certain other group-related insurance and non-insurance products ("Products") with brokers, agents, consultants, third party administrators, general agents, associations, and other parties that may participate in the sale, servicing and/or renewal of such products (*each an "Intermediary"*). MetLife may pay your Intermediary compensation, which may include, among other things, base compensation, supplemental compensation and/or a service fee. MetLife may pay compensation for the sale, servicing and/or renewal of products, or remit compensation to an Intermediary on your behalf. Your Intermediary may also be owned by, controlled by or affiliated with another person or party, which may also be an Intermediary and who may also perform marketing and/or administration services in connection with your products and be paid compensation by MetLife.

Base compensation, which may vary from case to case and may change if you renew your products with MetLife, may be payable to your Intermediary as a percentage of premium or a fixed dollar amount. MetLife may also pay your Intermediary compensation that is based upon your Intermediary placing and/or retaining a certain volume of business (*number of products sold or dollar value of premium*) with MetLife. In addition, supplemental compensation may be payable to your Intermediary for eligible Products. Under MetLife's current supplemental compensation plan (SCP), the amount payable as supplemental compensation may range from 0% to 8% of premium or fees. The supplemental compensation percentage may be based on one or more of: (1) the number of products sold through your Intermediary during a one-year period, or other defined period; (2) the amount of eligible new or renewal premium or fees with respect to products sold through your Intermediary during a one-year period; (3) the persistency percentage of products inforce through your Intermediary during a one-year period; (4) the block growth of the products inforce through your Intermediary during a one-year period; (5) eligible new or renewal premium or fees growth during a one-year period; or (6) a flat amount, fixed percentage or sliding scale of the premium or fees for products as set by MetLife. The supplemental compensation percentage will be set by MetLife based on the achievement of the outlined qualification criteria and it may not be changed until the following SCP plan year. As such, the supplemental compensation percentage may vary from year to year, but will not exceed 8% under the current supplemental compensation plan.

The cost of supplemental compensation is not directly charged to the price of our products except as an allocation of overhead expense, which is applied to all eligible group insurance products, whether or not supplemental compensation is paid in relation to a particular sale or renewal. As a result, your rates will not differ by whether or not your Intermediary receives supplemental compensation. If your Intermediary collects the premium or fees from you in relation to your products, your Intermediary may earn a return on such amounts. Additionally, MetLife may have a variety of other relationships with your Intermediary or its affiliates, or with other parties, that involve the payment of compensation and benefits that may or may not be related to your relationship with MetLife (*e.g., insurance and employee benefits exchanges, enrollment firms and platforms, sales contests, consulting agreements, participation in an insurer panel, or reinsurance arrangements*).

More information about the eligibility criteria, limitations, payment calculations and other terms and conditions under MetLife's base compensation and supplemental compensation plans can be found on MetLife's Website at [www.metlife.com/business-and-brokers/broker-resources/broker-compensation](http://www.metlife.com/business-and-brokers/broker-resources/broker-compensation). Questions regarding Intermediary compensation can be directed to [ask4met@metlifeservice.com](mailto:ask4met@metlifeservice.com), or if you would like to speak to someone about Intermediary compensation, please call (800) ASK 4MET. In addition to the compensation paid to an Intermediary, MetLife may also pay compensation to your representative. Compensation paid to your representative is for participating in the sale, servicing, and/or renewal of products, and the compensation paid may vary based on a number of factors including the type of product(s) and volume of business sold. If you are the person or entity to be charged under an insurance policy or annuity contract, you may request additional information about the compensation your representative expects to receive as a result of the sale or concerning compensation for any alternative quotes presented, by contacting your representative or calling (866) 796-1800.

### **Non-U.S. Coverage**

When providing you with information concerning an eligible group insurance policy issued or proposed to your affiliate or subsidiary outside the United States by a MetLife affiliate or by other locally licensed insurers that are members of the MAXIS Global Benefits Network (MAXIS GBN), New York insurance law requires the person providing the information to be licensed as an insurance broker. In this capacity, the information provided to you will only be on behalf of such insurers and not on behalf of MetLife or any other insurer that is not a member of MAXIS GBN. Please note that while MetLife is a member of MAXIS GBN and is licensed to transact insurance business in New York, the other MAXIS GBN member insurers are not licensed or authorized to do business in New York. The group insurance policies they issue are for coverage outside the United States and are governed by the laws of the country they were issued in. These policies have not been approved by the New York Superintendent of Financial Services, are not subject to all of the laws of New York, and are not protected by the New York State Guaranty Fund.