

MetLife Foundation

2013



Ensuring Access.
Empowering Communities.





MetLife Foundation
has gone global,
with a new mission of bringing
financial inclusion to low-income
communities around the world.



Message from Steven A. Kandarian
Chairman, President & CEO of MetLife, Inc.

“MetLife is committed to being a world-class company in everything it does. With the repositioning of MetLife Foundation, we are now pursuing a world-class philanthropic goal – strengthening the financial capabilities of underserved populations around the world.”



“This was an ambitious and exciting year for MetLife Foundation as we expanded the reach of our work and made significant strides toward our new goal of ensuring financial inclusion for people in need around the globe.”

We believe in the transformative power of affordable, convenient financial services, and we have already begun to see the impact that our new focus can have. Thanks to the efforts of our partners, we are helping to build a more secure future for low-income individuals, families and communities.

The following pages detail our contributions for this year and highlight steps taken toward our ambitious commitment of \$200 million to financial inclusion over the next five years. Among our first round of initiatives is a global educational partnership with Sesame Workshop. This partnership, to which we’ve made a five-year, \$20 million commitment, will allow us to reach close to 75 million young families.

We have also partnered with the Corporation for Enterprise Development on an action-research project to test strategies for

improved savings outcomes for low- and moderate-income communities in the U.S.

In all cases, our contributions and efforts are guided by the three pillars of our vision: Access to Knowledge, Access to Services and Access to Insights.

With sustained commitment to our mission and our partners, MetLife Foundation looks confidently to a future where people everywhere have the financial tools to achieve their dreams and pursue more from life. As always, we welcome your ideas, insights and support as we bring our vision to life.

A. Dennis White
President & CEO, MetLife Foundation

Why Financial Inclusion?

MetLife Foundation Believes:

- Our financial support has a role to play in bringing the organizations that serve low-income communities together with fellow innovators in technology and product development to deliver quality, affordable financial services.
- In collaboration with our not-for-profit and for-profit partners, we can deliver information and services to underserved individuals and families to help them manage their money reliably and efficiently.
- We can play a critical role as aggregators of industry knowledge, best practices and peer learning to ensure financial inclusion for those who need it most.

Our Vision Is Based on Three Powerful Pillars

Access to Knowledge

Increasing low-income families' readiness, willingness and ability to engage with the financial sector

Access to Services

Delivering high-quality financial products and services like savings and credit

Access to Insights

Investing in research and sharing what we learn with the financial inclusion community

Key Initiatives 2013

Corporation for Enterprise Development

United States

Learning What Encourages People to Save Money

Creative approaches to savings and financial services have shown tremendous success engaging low-income communities and putting people on the path to financial stability. That's why the **Corporation for Enterprise Development** (CFED) is helping six not-for-profit organizations across the U.S. develop and test new ideas for innovative savings products and strategies. With MetLife Foundation support, CFED is launching a dynamic Savings Innovation Learning Cluster, which will use a peer learning model to help these partners pursue common and unique solutions that can help low-income households achieve their financial goals.



Women's World Banking

Women's World Banking

Brazil, Mexico & Peru

Building a Safety Net for Women and Families

Around the world, far too many women live without a safety net to temper the hardship of a health emergency. With support from MetLife Foundation, **Women's World Banking** (WWB) is addressing this critical issue by developing new affordable health insurance products. In Peru, WWB created a hospital cash policy for women that will launch in 2014, and the organization is currently developing another new product based on a MetLife Foundation-funded feasibility study in Mexico. WWB will take the findings from these projects and expand its work throughout Latin America and into Africa and the Middle East.



Pro Mujer

Mexico

Expanding Financial Services in Oaxaca

Over 23 years, **Pro Mujer** has educated and empowered more than 1.5 million Latin American women, developing a proven model that combines financial services, business training and healthcare. MetLife Foundation has funded the opening of Pro Mujer's new Neighborhood Center in Oaxaca, contributing to the creation of 35 communal banks. Along with financial services, the Center will provide management training and healthcare initiatives such as glucose testing and nutrition counseling, helping women in Mexico's second poorest state build healthier, more secure lives for themselves and their families.



Trickle Up

India

Educating and Empowering the Ultra-Poor

Trickle Up has been remarkably successful in helping those earning less than \$1.25 a day take the first steps out of poverty. Their programs, which combine seed capital grants, skills training and mentoring, lift households up and help to break the multi-generational cycle of poverty. With support from MetLife Foundation, Trickle Up is implementing its graduation model—a staged process that helps women build greater skills to provide for their economic lives—in Odisha and West Bengal. These efforts will bring women greater knowledge of and access to financial services, along with useful community connections.

Seoul Welfare Foundation through Give2Asia

South Korea

Intensive Financial Training for Low-Income Families

Without adequate skills and preparation, low-income communities struggle to take advantage of formal financial services. **Seoul Welfare Foundation** (SWF) reaches households directly with its Family Financial Camp, an overnight program that helps families develop financial goals and the strategies to achieve them. With MetLife Foundation's support, SWF will help 18,000 low-income families establish savings accounts and the skills and confidence to use them effectively. They will also conduct market research to better understand these communities and help to develop new services that support the financially excluded.



CGAP and King Baudouin Foundation

Russia

Financial Inclusion Landscapes and Opportunities Research

As one of 34 donor members of **Consultative Group to Assist the Poor** (CGAP), MetLife Foundation supports both their overall mission to improve financial services for low-income people worldwide and a variety of special initiatives. **King Baudouin Foundation**, also a MetLife Foundation grantee, conducted initial insights research in Russia and then launched a partnership with CGAP to delve deeper into the state of financial inclusion there, seeking leverage points to create better opportunities for low-income Russians. Leveraging grantees' expertise and strengths develops both greater insights for the financial inclusion field and stronger relationships among industry peers and professionals.



JA Worldwide

Poland

Developing Financial Skills in Young People

Each year, **JA Worldwide** empowers more than 10 million young people to own their economic future through hands-on education in entrepreneurship, work readiness and financial literacy. Building on more than 30 years of collaboration, JA has now launched the MetLife Foundation Older Youth Development project across five countries. In Poland, a new Entrepreneurial School is increasing secondary school teachers' access to entrepreneurial resources for the classroom. This project, along with initiatives in Russia, Egypt, Korea and Mexico, is empowering disadvantaged youth to take control of their lives and succeed in the global economy.



Sesame Workshop

Sharing Financial Knowledge With Young Families Around the World

Sesame Workshop sets the global standard for making topics like math, reading and science accessible to young children and their families. Now—with a five-year, \$20 million commitment from MetLife Foundation—Sesame Street programming will help children and caregivers around the world become more financially capable. This new initiative will reach close to 75 million people in up to 10 countries, starting with Brazil, China, India and Mexico.

Expanding on their already successful partnership, Sesame Workshop and MetLife Foundation will create targeted, multimedia programs designed to help low-income families realize their financial goals. Content will focus on practical everyday lessons of basic numeracy, self-regulation and key social skills that encourage financial inclusion. MetLife Foundation and Sesame Workshop will also work to build a coalition of local partnerships to help deliver these programs, ensuring that as many families as possible have access to the financial knowledge and tools they need to put them on the path to financial security.

Financial Inclusion Profile:

Local Initiatives Support Corporation and Suyapa Perez



Offering dedicated financial coaching paired with creative tools, Financial Opportunity Centers (FOCs) throughout the U.S. help clients boost earnings, build credit and make educated financial decisions. **Local Initiatives Support Corporation** (LISC) is using a \$2.25 million grant from MetLife Foundation to strengthen the reach and impact of its nationwide network of FOCs and help more low-income individuals achieve financial stability and independence.

Suyapa Perez is a 51-year-old mother of three and the wife of, in her words, “an honorable and hard-working man.” When Perez emigrated with her family from Honduras in 2000, she left behind a career as a primary school teacher, but after arriving in the U.S., she could only find work cleaning or doing menial tasks in restaurant kitchens.

In April 2013, Perez came to Boston’s CONNECT FOC, where she worked with a financial coach to document a budget, finding that household expenses far exceeded income and that she and her husband were incurring credit card debt to make ends meet. She worked on her finances in the context of her goals, which included becoming a minister and seeing her children graduate from college in the U.S.

Meeting with her financial coach, Perez learned basic money management skills, such as savings, credit building and even how to write a check. She then passed these skills on to her children, bringing them to their community bank to open accounts of their own.

In less than a year, Perez began to save nearly \$300 a month, and her family plans to be free of credit card debt by the end of 2014. She has said that LISC’s FOC network “allows you to believe in yourself,” and benefits of the FOC have empowered her whole family—her husband started his own small business, and two of her three children have enrolled in college programs.

The background of the slide is a photograph of a city at night. A large, modern skyscraper with a curved facade is the central focus, with the 'MetLife' logo illuminated in white on its upper section. To the left, a historic building with a prominent, ornate, golden-lit tower is visible. The sky is dark blue, and the lights from the buildings create a bokeh effect in the foreground.

MetLife

MetLife Foundation

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Organization	Location	2013 Paid
Financial Inclusion		
Access to Knowledge		
Behavioral Ideas Lab (ideas42)	NY	5,000
Center for Community Self Help	NC	800,000
Credit Builders Alliance	DC	50,000
Girl Scouts of the USA	NY	75,000
Grameen Foundation	DC	5,000
Junior Achievement of New Jersey	NJ	1,000,000
Junior Achievement Worldwide	CO	1,305,000
Junior Achievement (Various)	Various	94,000
Local Initiatives Support Corporation	NY	2,000,000
Pro Mujer	NY	150,000
Sesame Workshop	NY	3,600,000
The Resource Foundation	NY	288,200
Trickle Up Program	NY	250,000
Access to Knowledge Total		\$9,622,200
Access to Services		
Center for Financial Services Innovation	IL	250,000
Common Ground Communities	NY	250,000
Community Reinvestment Fund	MN	150,000
Corporation for Enterprise Development	DC	800,000
D2D Fund	MA	240,000
FINCA International	DC	110,000
Habitat for Humanity International	GA	250,000
Innovations for Poverty Action	CT	150,000
Local Initiatives Support Corporation	NY	250,000
Rockefeller Philanthropy Advisors working with Bankable Frontiers Associates	MA	500,000
SaveUSA	NY	230,000
Technoserve	DC	250,000
The Financial Clinic	NY	30,000
Access to Services Total		\$3,460,000
Access to Insights		
Accion International	MA	364,000
Consultative Group to Assist the Poor	DC	500,000
Corporation for Enterprise Development	DC	250,000
Encore.org	CA	250,000
Give2Asia/country research	CA	16,250
Give2Asia working with Seoul		
Welfare Foundation	CA	201,944
Give2Asia working with Vietnam		
Microfinance Working Group	CA	184,523
Global Banking Alliance for Women	NY	350,000
King Baudouin Foundation		
United States/country research	NY	310,000
MDRC	NY	82,000
Microfinance Centre Foundation	Poland	235,000
National League of Cities	DC	250,000
United Way Worldwide	VA	140,000
Women's World Banking	NY	555,000
Access to Insights Total		\$3,688,717
Financial Inclusion Total		\$16,770,917

Organization	Location	2013 Paid
Alzheimer's & Healthy Aging		
Alzheimer's		
Alzheimer's Association	IL	300,000
Alzheimer's Association, Korea	Korea	75,000
Alzheimer's Association, NYC Chapter	NY	35,000
Alzheimer's Disease International	IL	200,000
Alzheimer's Disease Research Foundation	MA	250,000
Awards for Medical Research working with American Federation for Aging Research	Various	700,000
Dana Alliance for Brain Initiatives	NY	60,000
Museum of Modern Art	NY	50,000
National Council of La Raza	DC	100,000
Alzheimer's Total		\$1,770,000
Healthy Aging		
American Federation for Aging Research	NY	220,000
American Society on Aging	CA	150,000
Children's Health Fund	NY	500,000
Encore.org	CA	500,000
Council for Adult and Experiential Learning	IL	125,000
EngAGE	CA	50,000
Generations United	DC	280,000
Gerontological Society of America	DC	100,000
Grantmakers in Health	DC	8,500
Johns Hopkins School of Public Health	MD	150,000
Jumpstart for Young Children	MA	250,000
National Center for Creative Aging	DC	100,000
National Council on the Aging	DC	100,000
NCB Capital Impact	VA	250,000
Partners for Livable Communities	DC	125,000
Rubin Museum of Art	NY	50,000
Healthy Aging Total		\$2,958,500
Alzheimer's & Healthy Aging Total		\$4,728,500
Community Development		
American Red Cross/Hurricane Sandy Relief	NY	145,000
AmeriCares Foundation	CT	100,000
BELL Foundation	MA	50,000
Boston Foundation	MA	40,000
Chicago Community Loan Fund	IL	50,000
Citizens Committee for New York City	NY	25,000
Community Hope	NJ	15,000
Community Loan Fund of New Jersey	NJ	35,000
Enterprise Community Partners	MD	300,000
Food Bank Initiative	Various	400,000
Give2Asia/Sichuan Earthquake		
Disaster Relief	CA	162,000
Housing and Community Development Network of NJ	NJ	25,000

Organization	Location	2013 Paid	Organization	Location	2013 Paid
Interfaith Food Pantry	NJ	10,000	Americas Society	NY	75,000
International Medical Corps/Japan Earthquake and Tsunami Rebuilding Efforts	CA	150,000	Arts Council of the Morris Area	NJ	10,000
Living Cities	NY	450,000	Asian American Arts Alliance	NY	25,000
Local Initiatives Support Corporation	NY	485,000	Association of Children's Museums	DC	235,000
Local Initiatives Support Corporation/Veterans Housing	NY	150,000	Ballet Hispanico of New York	NY	125,000
Massachusetts Association of CDCs	MA	10,000	Baltimore Symphony Orchestra	MD	15,000
Neighborhood Housing Services of New York City	NY	50,000	Boston Symphony Orchestra	MA	25,000
One Fund Boston	MA	100,000	Brooklyn Academy of Music	NY	50,000
Robin Hood/Hurricane Sandy Relief	NY	15,000	Brooklyn Children's Museum	NY	35,000
Trust for Public Land	CA	402,500	Carnegie Hall	NY	50,000
United Way Worldwide/Argentina Flood Relief and Recovery	VA	21,000	Catalog for Giving of NYC	NY	10,000
Community Development Total		\$3,190,500	Chamber Music Society of Lincoln Center	NY	35,000
Civic Engagement			Charlotte Symphony Orchestra Society	NC	25,000
American Corporate Partners/Veterans Mentoring	NY	50,000	Chicago Children's Museum	IL	25,000
ARC of the United States	DC	100,000	Children's Museum of Manhattan	NY	200,000
Blue Star Families/Military Families	VA	500,000	Cityfolk	OH	10,000
CASA of Morris & Sussex Counties	NJ	15,000	Dancing Wheels	OH	35,000
Damon Runyon Cancer Research Foundation	NY	400,000	EMCArts	NY	492,000
Foundation Center	NY	7,500	Grantmakers in the Arts	WA	10,000
Hiring Our Heroes	DC	50,000	Greater Hartford Arts Council	CT	35,000
Human Rights Campaign Foundation	DC	25,000	Hartford Symphony Orchestra	CT	30,000
Independent Sector	MD	15,000	High Line	NY	50,000
Lawyers Alliance for New York	NY	10,000	Holocaust Memorial Foundation of Illinois	IL	15,000
Midland Adult Services	NJ	10,000	HT Chen & Dancers	NY	30,000
Morristown Neighborhood House	NJ	25,000	Japan Society	NY	60,000
National Organization on Disability	DC	100,000	Jewish Museum	NY	20,000
National Urban League	NY	500,000	Joyce Theater	NY	30,000
New York Blood Center	NY	250,000	Lincoln Center for the Performing Arts	NY	50,000
New York City Partnership Foundation	NY	70,000	Los Angeles Philharmonic	CA	25,000
PFLAG	DC	35,000	Lower East Side Tenement Museum	NY	15,000
Regional Plan Association	NY	25,000	Manhattan Theatre Club	NY	25,000
Riverfront Recapture	CT	10,000	Mark Morris Dance Company	NY	125,000
Rosie's Place	MA	10,000	Metropolitan Museum of Art	NY	130,000
SAGE	NY	50,000	Miami Art Museum	FL	25,000
Somerset County Business Partnership	NJ	10,000	Midori Foundation	NY	50,000
ULI Foundation	DC	2,500	Mint Museum of Art	NC	50,000
University of Scranton	PA	10,000	Morris Museum	NJ	10,000
Women In Need	NY	20,000	Munson Williams Proctor Institute	NY	10,000
Wounded Warrior Project	FL	15,000	Museum of Science and Industry	FL	25,000
Civic Engagement Total		\$2,315,000	Museum of Science, Boston	MA	50,000
Arts & Culture			National Guild for Community Arts Education	NY	300,000
Aaron Davis Hall	NY	35,000	National Performance Network	LA	25,000
Alvin Ailey Dance Foundation	NY	90,000	New England Foundation for the Arts	MA	300,000
American Symphony Orchestra League	NY	160,000	New York Botanical Garden	NY	600,000
			New York City Ballet	NY	25,000
			New York City Center	NY	175,000
			New York Hall of Science	NY	125,000
			New York Philharmonic	NY	325,000
			New York Public Library	NY	25,000
			New York Public Radio	NY	50,000
			Orpheus Chamber Orchestra	NY	150,000
			Pan Asian Repertory Theatre	NY	15,000
			Paper Mill Playhouse	NJ	15,000



Organization	Location	2013 Paid
Paul Taylor Dance Foundation	NY	125,000
Ping Chong Company	NY	35,000
Providence Children's Museum	RI	25,000
Public Theater	NY	35,000
Repertorio Español	NY	100,000
Sphinx Organization	MI	25,000
St. Louis Art Museum	MO	10,000
St. Louis Symphony Orchestra	MO	20,000
State Theatre Regional Arts Center at New Brunswick	NJ	15,000
Studio in a School Organization	NY	50,000
Studio Museum in Harlem	NY	25,000
Tampa Bay Performing Arts Center	FL	25,000
Theatre Communications Group	NY	250,000
Theatre Development Fund	NY	15,000
Whitney Museum of American Art	NY	100,000
Young Audiences	NY	50,000
Arts & Culture Total		\$5,667,000

Youth/Education

ACCESS	MA	175,000
ACHIEVE	DC	150,000
Actuarial Foundation	IL	10,000
Afterschool Alliance	DC	300,000
All Stars Project	NY	100,000
Alliance for Excellent Education	DC	100,000
American Indian College Fund	CO	15,000
Asia Society	NY	250,000
Association of American Colleges and Universities	DC	250,000
Big Brothers Big Sisters of America	PA	370,000
Boys & Girls Clubs of America	GA	370,000
Boys & Girls Club of Trenton & Mercer County	NJ	5,000
Boys & Girls Clubs of Hartford	CT	25,000
Center for Teaching Quality	NC	200,000
Center on School, Family and Community Partnerships	MD	75,000
Children's Aid Society	NY	50,000
Citizen Schools	NY	150,000
City Year	MA	150,000
College Summit	DC	200,000
Cornerstone OnDemand Foundation	CA	35,000
Developmental Studies Center	CA	500,000
Editorial Projects in Education	MD	250,000
Education Pioneers	CA	80,000
Farm Foundation	IL	5,000
Girls, Inc.	NY	50,000
Greater Johnstown YMCA	PA	12,500
Hispanic Scholarship Fund	CA	30,000
INROADS	MO	50,000
Learning Forward	OH	300,000
Madison Area YMCA	NJ	5,000
MENTOR: The National Mentoring Partnership	MA	100,000

Organization	Location	2013 Paid
National 4-H Council	MD	200,000
National Association of Elementary School Principals	VA	250,000
National Association of Secondary School Principals	VA	415,000
National FFA Foundation	IN	21,250
New Teacher Center	CA	425,000
Opportunity Network	NY	25,000
Police Athletic League	NY	50,000
Reach Out and Read/Military Families	MA	100,000
Reading Excellence and Discovery Foundation	NY	7,500
Rhode Island Mentoring Partnership	RI	15,000
School Leaders Network	MA	150,000
STRIVE	OH	250,000
United Negro College Fund	NY	50,000
Wake Education Partnership	NC	5,000
Wellness in the Schools	NY	15,000
What Kids Can Do	RI	50,000
YMCA of Metropolitan Chicago	IL	15,000
Youth/Education Total		\$6,406,250

Employee-Related Programs

Employee Children's Scholarship Programs	Various	411,407
Employee Volunteer Programs	Various	1,211,325
Local United Ways	Various	891,000
Matching Gifts	Various	896,951
Employee-Related Programs Total		\$ 3,410,683

Grand Total	\$42,488,850
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of MetLife Foundation:

We have audited the accompanying financial statements of MetLife Foundation (the "Foundation"), which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

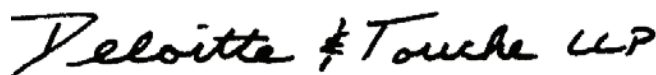
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud

or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



February 19, 2014

METLIFE FOUNDATION STATEMENTS OF FINANCIAL POSITION AS OF DECEMBER 31, 2013 AND 2012

ASSETS	NOTES	2013	2012
Investments:			
Investments, at fair value:			
Equity investments		\$151,164,794	\$132,287,923
Short-term investments		14,496,291	28,192,568
Program-related investments	1	4,012,690	3,512,691
Total investments		169,673,775	163,993,182
Cash and cash equivalents	1	9,315,562	2,321,933
Due and accrued investment income		3,472	3,859
TOTAL ASSETS		\$178,992,809	\$166,318,974
LIABILITIES AND NET ASSETS	NOTES	2013	2012
Cash overdraft	1	\$ 2,848,511	\$ 925,589
Amounts payable for investments acquired		1,855,269	7,999,203
Accrued expenses and other payables		317,425	447,500
Federal excise tax payable		362,429	164,547
Total liabilities		5,383,634	9,536,839
Net assets – unrestricted		173,609,175	156,782,135
TOTAL LIABILITIES AND NET ASSETS		\$178,992,809	\$166,318,974

See notes to financial statements

METLIFE FOUNDATION STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

REVENUE	NOTES	2013	2012
Investment income:			
Dividends and interest		\$ 3,461,763	\$ 3,351,804
Change in fair value of investments	1	11,820,558	8,196,133
Contributions from MetLife	3	45,000,000	47,500,000
Total revenue		60,282,321	59,047,937
GRANTS AND EXPENSES			
Grants:			
Paid		42,488,850	41,107,662
General expenses	4	651,549	498,800
Federal excise tax	5	314,882	225,980
Total grants and expenses		43,455,281	41,832,442
CHANGE IN NET ASSETS		16,827,040	17,215,495
Net assets – beginning of year		156,782,135	139,566,640
NET ASSETS – end of year		\$173,609,175	\$156,782,135

See notes to financial statements

METLIFE FOUNDATION STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

CASH FLOWS FROM OPERATING ACTIVITIES:	2013	2012
Change in net assets	\$ 16,827,040	\$ 17,215,495
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in fair value of investments	(11,820,558)	(8,196,133)
Accretion of discount/amortization of premiums on investments	(12,015)	(15,089)
Change in due and accrued investment income	387	5,051
Change in cash overdraft	1,922,922	503,419
Change in accrued expenses and other payables	(130,075)	446,000
Change in federal excise tax payable/recoverable	197,882	225,979
Net cash provided by operating activities	6,985,583	10,184,722
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	72,114,286	40,618,668
Purchase of investments	(72,106,240)	(50,812,057)
Net cash provided by (used in) investing activities	8,046	(10,193,389)
NET CHANGE IN CASH AND CASH EQUIVALENTS	6,993,629	(8,667)
Cash and cash equivalents – beginning of year	2,321,933	2,330,600
CASH AND CASH EQUIVALENTS – end of year	\$ 9,315,562	\$ 2,321,933
Supplemental disclosures of cash flow information – Federal excise taxes paid	\$ 117,000	\$ -

See notes to financial statements

**METLIFE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013
AND 2012**

The MetLife Foundation (the "Foundation") was formed for the purpose of supporting various philanthropic organizations and activities, principally in the United States. During 2013, the Foundation began an initiative of devoting resources to advancing financial inclusion, helping to build a secure future for individuals and communities around the world.

**1. ACCOUNTING POLICIES
Summary of Significant Accounting Policies**

The Foundation's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") which recognize income when earned and expenses when incurred.

Investments at Fair Value – The Foundation's equity investments are principally comprised of Exchange Traded Funds (ETFs). Short-term investments include investments with remaining maturities of one year or less, but greater than three months, at the time of acquisition. Related holdings gains and losses are reported in investment income. The Foundation is not exposed to any significant concentration of credit risk in its investment portfolio.

Program-Related Investments – Such investments are authorized by the Board of Directors and represent loans to or equity investments in qualified charitable organizations or investments for appropriate charitable purposes as set forth in the Internal Revenue Code and regulations thereunder, and are carried at outstanding indebtedness or cost. An allowance for possible losses is established when the Foundation does not expect repayment in full on any program-related loan and when such uncollectible amount can be reasonably estimated. As of December 31, 2013 and

December 31, 2012, this allowance was zero. In addition, the income generated by the program-related loans is generally dependent upon the financial ability of the borrowers to keep current on their obligations. For disclosure purposes, a reasonable estimate of fair value was not made since the difference between fair value and the outstanding indebtedness or cost would not be significant. Maturities of the loan investments range from 2021 through 2022.

Cash Equivalents and Cash Overdraft – Cash equivalents are highly liquid investments purchased with an original or remaining maturity of three months or less at the date of purchase and are carried at fair value. The Foundation generally invests funds required for cash disbursements in cash equivalents and transfers such funds to its operating bank account when checks are presented for payment. The cash overdrafts at December 31, 2013 and December 31, 2012 represent grant disbursements that cleared the operating bank account in 2014 and 2013, respectively.

Contributions – All contributions received to date by the Foundation have been unrestricted and, therefore, all of its net assets are similarly unrestricted. All contributions received during 2013 and 2012 have been from MetLife, Inc. and subsidiaries ("MetLife").

Grants – Such transactions are authorized by the Board of Directors. Conditional grants authorized for payment in future years are subject to further review and approval by the Foundation.

Estimates – The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual

results could differ from these estimates. Since the obligation to make payment of conditional multi-year grants and program-related loans is dependent upon each grantee/borrower's satisfaction of the applicable conditions, the amount of conditional multi-year grants and program-related loans reported as commitments is based upon the expected or estimated fulfillment of such conditions.

2. FAIR VALUE

The Foundation has elected to measure its equity investments, short-term investments and cash equivalents at fair value with related holdings gains and losses reported in investment income.

When developing estimated fair values, the Foundation considers three broad valuation techniques: (i) the market approach, (ii) the income approach, and (iii) the cost approach. The Foundation determines the most appropriate valuation technique to use, given what is being measured and the availability of sufficient inputs, giving priority to observable inputs. The Foundation 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 Foundation 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.

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 Foundation's ability to sell securities, or 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 market data 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.

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 presented below.

	Level 1	Level 2	Level 3	Total Estimated Fair Value
December 31, 2013:				
Equity investments	\$151,149,794	\$ -	\$ 15,000	\$151,164,794
Short-term investments	12,196,345	2,299,946	-	14,496,291
Cash equivalents	-	9,199,864	-	9,199,864
Total	\$163,346,139	\$11,499,810	\$ 15,000	\$174,860,949
December 31, 2012:				
Equity investments	\$132,272,923	\$ -	\$ 15,000	\$132,287,923
Short-term investments	27,192,568	-	1,000,000	28,192,568
Cash equivalents	-	2,099,780	-	2,099,780
Total	\$159,465,491	\$ 2,099,780	\$1,015,000	\$162,580,271

The following describes the valuation methodologies used to measure assets and liabilities at fair value. The description includes the valuation techniques and key inputs for each category of assets or liabilities that are classified within Level 2 and Level 3 of the fair value hierarchy.

Equity Investments, Short-term Investments and Cash Equivalents

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 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. Even though these inputs are unobservable, management believes they are consistent with what other market participants would use when pricing such securities and are considered appropriate given the circumstances.

Level 2 Valuation Techniques and Key Inputs:

This level includes short-term investments and cash equivalents priced principally by independent pricing services using observable inputs. These securities are principally valued using the market approach. Valuation is based primarily on quoted prices in markets that are not active or using matrix pricing or other similar techniques using standard market observable inputs such as benchmark U.S. Treasury yield curve, the spread off the U.S. Treasury yield curve for the identical security and comparable securities that are actively traded.

Level 3 Valuation Techniques and Key Inputs:

In general, securities classified within Level 3 use many of the same valuation techniques and inputs as described previously for Level 2. However, if key inputs are unobservable, or if the investments are less liquid and there is very limited trading activity, the investments are generally classified as Level 3. The use of independent non-binding broker quotations to value investments generally indicates there is a lack of liquidity or a lack of transparency in the process to develop the valuation estimates, generally causing these investments to be classified in Level 3.

Equity investments

These investments are principally valued using the market approach. Valuations are based primarily on quoted prices in active markets that are readily and regularly obtainable and are classified in Level 1. Certain of these securities including privately held securities, are valued based on the market approach matrix pricing and the inputs include quoted prices for identical securities that are less liquid and based on lower levels of trading activity than securities classified in Level 2 and independent non-binding broker quotations.

Short-term investments

These investments are principally valued using the market approach. Valuations are based primarily on matrix pricing or other similar techniques that utilize unobservable inputs or inputs that cannot be derived principally from, or corroborated by, observable market data; and inputs including quoted prices for identical or similar securities that are less liquid and based on lower levels of trading activity than securities classified in Level 2. Certain valuations are based on independent non-binding broker quotations.

Transfers between Levels

During the years ended December 31, 2013 and 2012, there were no transfers between levels.

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	Range	December 31, 2013		December 31, 2012		Impact of Increase in Input on Estimated Fair Value (2)
			Weighted Average (1)	Range	Weighted Average (1)	Range	
Short-term investments	• Consensus pricing • Offered quotes (3)			100 - 100		100	Increase

(1) The weighted average for fixed maturity securities is determined based on the estimated fair value of the securities.

(3) Range and weighted average are presented in accordance with the market convention for fixed maturity securities of dollars per hundred dollars of par.

(2) The impact of a decrease in input would have the opposite impact on the estimated fair value. For embedded derivatives, changes are based on liability positions.

The following tables summarize the change of all assets measured at estimated fair value on a recurring basis using significant unobservable inputs (Level 3). There were no unrealized or realized gains (losses) on Level 3 assets during the years ended December 31, 2013 and 2012.

December 31, 2013:	Balance, January 1	Investment Income (1)	Purchases	Sales	Balance, December 31
Equity investments	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000
Short-term investments	1,000,000	718	-	(1,000,718)	-
Cash equivalents	-	-	-	-	-

December 31, 2012:	Balance, January 1	Investment Income (1)	Purchases	Sales	Balance, December 31
Equity investments	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000
Short-term investments	3,999,553	447	1,000,000	(4,000,000)	1,000,000
Cash equivalents	2,198,718	514	-	(2,199,232)	-

(1) Amortization of premium/discount is included within investment income. Interest and dividend accruals, as well as cash interest coupons and dividends received, are excluded from the rollforward.

3. CONTRIBUTIONS

In 2013 and 2012, MetLife contributed cash of \$45,000,000 and \$47,500,000, respectively, to the Foundation.

4. RELATED PARTY TRANSACTIONS

The Foundation is supported by MetLife. MetLife also provides the Foundation with management and administrative services. However, the Statements of Activities and Changes in Net Assets do not include such costs since they are not significant.

5. FEDERAL TAXES

The Foundation is exempt from Federal income taxes; however, as a private foundation, it is subject to Federal excise taxes on its net taxable investment income and realized capital gains. The rate for current excise taxes was 2% in 2013 and 2012. The rate for deferred excise taxes was 2% in 2013 and 2012. There were no uncertain tax positions taken by the Foundation as of December 31, 2013.

6. COMMITMENTS

As of December 31, 2013, the Board of Directors had authorized grants and program-related investments for future years as follows:

	Conditional Grants	Program-Related Investments
2014	\$ 4,350,000	\$500,000
2015	4,100,000	
2016	4,100,000	
2017	4,100,000	
	<hr/>	
	\$16,650,000	\$500,000

As of December 31, 2013, none of the conditional grants required further review and approval by the Board of Directors prior to payment.

7. SUBSEQUENT EVENTS

The Foundation has evaluated all subsequent transactions and events after the statement of financial position date and through February 19, 2014, which is the date these financial statements were available to be issued. There are no transactions or events requiring disclosure.

MetLife Foundation

MetLife Foundation

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