

MetLife Foundation

Ensuring Access. Empowering Communities.

FINANCIAL INCLUSION

Into Action



2014 | Annual Report



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

“The Foundation’s support for financial inclusion efforts around the world reflects MetLife’s belief that giving people the tools to build their future financial security helps them create better lives for themselves and their families. This conviction has powered MetLife’s extraordinary growth over its nearly 150-year history and has made it possible for us to become one of the world’s leading life insurers serving approximately 100 million customers in nearly 50 countries.”

Financial inclusion means that households and businesses have convenient access to a full suite of quality, affordable financial services, delivered by trustworthy providers with respect for the customer.

These services promote better management of incomes and assets, ultimately contributing to greater self-sufficiency and financial security.

MetLife Foundation

Message from A. Dennis White

MetLife Foundation made significant progress in 2014 toward achieving the goals of its new financial inclusion grant-making strategy.

In 2013, the Foundation had committed \$200 million over five years to ensure that more people across the globe have access to the quality financial services they need to build better lives. Eighteen months later, or about one-third of the way through our five-year plan, we are right on track to meet our ambitious targets. And we are confident that with steady focus on our mission, a portfolio that includes some of the most innovative and respected partners in financial inclusion, and an energized global MetLife family of associates, the Foundation will achieve its goals.

As part of our plan, our portfolio has become more global. The share of grants for activities outside the United States was over 40 percent last year, up from 6 percent in 2012. Even as our grant-making's geographic distribution diversifies, our thematic focus has sharpened. Financial inclusion now accounts for 68 percent of total grant dollars, a 70 percent increase over 2013—and evidence of the Foundation's commitment to this mission. The focus on financial inclusion has also inspired MetLife associates from around the world to engage more deeply in their Foundation's work, another core objective.

This report highlights some of the work the Foundation is pursuing in each of the three thematic "pillars" of our financial inclusion strategy—Access & Knowledge, Access to Services, and Access to Insights. It describes large-scale projects such as the Foundation's partnership with Sesame Workshop's multimedia global initiative which will reach 75 million young people and their caregivers to help them create effective strategies for spending, saving, and sharing. The report also details more targeted grant-making including the Foundation's support of sophisticated behavioral research that seeks to influence people to undertake positive action to improve their financial lives.

But regardless of scope, every financial inclusion initiative we pursue is guided by the Foundation's vision: ensuring that more of the world's underserved families have access to the financial tools and the skills that everyone needs

to manage life's risks and seize opportunities.

With almost \$70 million committed to nearly 150 grants directed towards financial inclusion, MetLife Foundation is on track to reach our pledge of \$200 million over five years. We continue to learn how to use MetLife Foundation's strengths—our financial resources, to be sure, but also the expertise of MetLife's global workforce and our reputation as a global financial service leader—to ensure that our grant-making achieves maximum impact.

The Financial Inclusion Challenge, our new and exclusive sponsorship with *The Wall Street Journal*, is a competition to recognize achievements in financial inclusion and raise awareness about the issue. As a complement to the Challenge, MetLife Foundation and WSJ Custom Studios are sponsoring a multi-media website, *Multipliers of Prosperity*, showcasing the most innovative developments in the field and highlighting some of the excellent work being done by MetLife Foundation grantees.

The Foundation is grateful for the opportunity to support the work of our talented, dedicated partners. We are grateful for the chance to see the real difference our support is making in the lives of underserved families. And finally, we are grateful for the warm reaction the Foundation's financial inclusion strategy has received, both from the general public and from the global financial-inclusion community.

Your comments and ideas are always welcome.



A. Dennis White
President & CEO, MetLife Foundation



“We are confident that with steady focus on our mission, a portfolio that includes some of the most innovative and respected partners in financial inclusion, and an energized global MetLife family of associates, the Foundation will achieve its goals.”





The Challenge

Everyone needs financial services. Without a safe place to save money, it's difficult to cope with the unexpected or to plan for the future. Without access to affordable credit, it's difficult to get a business idea off the ground or to acquire an asset like a house or higher education. Without insurance, all your security can be wiped out by one misfortune.

To have the financial tools you need—tools that you can afford, that are safe and properly regulated, that you can access conveniently from institutions that treat you with respect—is to be financially included. But we are still far from a world of full financial inclusion. In developing countries, it is not uncommon for the formal financial services sector to serve only a small percentage of the most affluent, leaving 80 percent or more of

the population without even basic financial tools. But financial inclusion is an issue in the advanced economies, too. Important disparities exist, often along ethnic, gender, and socioeconomic lines, between who is fully financially included and who is not.

There are many complex reasons why full financial inclusion remains a challenge. Traditional ways of doing business make it difficult and costly for commercial banks to manage the small-balance accounts that low-income families need. So banks often fail to recognize that low-income people could actually be viable customers—with some creative adaptations to business as usual. Mission-driven financial institutions, meanwhile, often have a “high-touch” business model that is very customer-focused—but difficult to scale up.

The challenge of financial inclusion is to understand what is best about all the different ways to reach underserved customers. It's about understanding what works and building on it.



The Opportunity

Microfinance proved the concept beginning in the 1970s. Traditionally excluded populations—low-income or even severely poor families, small-holder farmers, women, petty traders, and others—could be viable, even profitable, customers for financial services.

Now comes the technology revolution. Banking no longer has to involve a trip to an expensive brick-and-mortar building. It could be as close as the cell phone in your pocket.

Low-income people have always managed their limited financial resources with creative ingenuity. But with

modern, responsive financial services and know-how, they could go much farther towards achieving their full economic potential. They could transform their own lives and their communities.

More and more financial services providers, policymakers, donors, and others are looking for—and finding—innovative ways to expand financial inclusion. The financial inclusion community has made great progress in understanding the financial needs of low-income households and finding ways to meet those needs. But much work remains to be done as well.

MetLife Foundation and our partners are proud to be part of the solution.



EGYPT

Elham Shaaban
El-Sayed

Business: Household goods
Institution: LEAD Foundation
(partner of MetLife
Foundation grantee
Women's World Banking)

Elham lives in Egypt with her husband and their five children. She has always worked to help bring in extra money to support the family. Her first business, selling ready-to-wear clothing, was financed by a loan from a women's borrowing group run by Lead Foundation, a member of Women's World Banking, a global network of microfinance institutions supported by MetLife Foundation. Elham quickly realized that selling clothes depended too much on the season, and that she was never going to make sufficient income that way. She decided to sell housewares instead, and began by selling out of her home.

Through her own hard work and a succession of progressively larger business loans—all of them diligently repaid—Elham's business grew and prospered. Lead Foundation admired her success and told her she qualified for an individual loan, in a larger size and with more flexible terms than the group loan had allowed. With her small-business individual loan, Elham expanded her inventory to include higher-ticket items like washing machines and cookers. She also moved her business out of her house and rented retail space.

The right financial services have made all the difference in Elham's business—and for her family. She plans to expand and renovate her shop, and she has already helped cover the expenses for one son's wedding and the school fees for her younger children.

Financial exclusion can look different from country to country—or even from person to person. In the advanced economies, most people may be financially included, but minority groups and lower-income people often have a hard time accessing the range of quality financial services they need to get ahead.

In developing countries, financial access may be a problem for almost everybody. This is especially true for women, who are often limited to rigid “one size fits all” group loans if they have access at all. **MetLife Foundation supports innovative institutions that are working to find ways to serve more of the estimated 2 billion currently excluded people with financial services—tailored to their needs.**



UNITED STATES

Jonathan Moreno

Business: Barber shop**Institution:** Accion**U.S. Network**

Jonathan took over operations of Moreno’s Barbershop in Boston, Massachusetts from his grandfather. He wanted to upgrade the shop and bring it into the modern technological age while still maintaining the quality and integrity of his grandfather’s work.

Jonathan’s grandfather could not make a gift of the shop, so Jonathan’s succession was not guaranteed. Fortunately, when the time came for Jonathan’s grandfather to sell the shop, Jonathan found Accion US Network, a MetLife Foundation grantee that specializes in small business loans for underserved entrepreneurs, including women, minorities, and immigrants, who might not qualify for traditional financing. An Accion US Network loan allowed Jonathan to purchase the barber shop.

The shop now accepts credit cards, offers free wifi to customers, and has a website. But thanks to Accion, it has also stayed in the family.

WORLDWIDE

Sesame Workshop: Dream Save Do

Sesame Workshop pioneered the concept of educational television for children more than 45 years ago. It has remained one of the most universally recognized and beloved children's brands ever since, making math, reading, language, and social skills more understandable and fun for kids all over the world for generations.



Now with a five-year, \$20 million grant from MetLife Foundation, **Sesame Workshop will be launching a new multimedia global initiative "Dream, Save, Do: Financial Empowerment for Families."** The program will help families articulate their aspirations, make plans, and understand how their everyday choices affect their goals.

MetLife Foundation's grant will support development and distribution of culturally sensitive financial education programming to reach underserved families in up to 10 countries by 2018.

UNITED STATES

VeteransPlus

MetLife Military Veteran's Network (MVET) introduced the Foundation to VeteransPlus, a national not-for-profit serving veterans and active duty military personnel. **VeteransPlus is using their MetLife Foundation grant to create a digital platform enabling VeteransPlus counselors to track veterans' progress towards financial goals like reducing debt, managing their families' funds while deployed, and saving for the future.** The digital technology supports remote delivery of financial counseling, which costs a fraction of face-to-face sessions. One of the major challenges to financial inclusion is finding cost-effective ways to deliver the kind of personalized financial coaching that, for adults, appears to hold more promise than classroom-based financial education. The partnership gives MetLife Foundation and VeteransPlus an opportunity both to serve the veteran community and to evaluate the cost-effectiveness of alternative delivery channels for financial coaching.



Europe/Middle East/Africa

Junior Achievement/MetLife LifeChanger

Young people make up a disproportionate number of the world's working poor and are three times more likely than adults to be unemployed. With few employment opportunities available for youth, JA develops young entrepreneurs, helping them launch and manage businesses. JA also teaches them personal finance and work readiness skills. **MetLife Foundation's financial support helps Junior Achievement deliver financial education for these young people, and MetLife employees across our Europe, Middle East and Africa region are also active JA volunteers, sharing their time, knowledge, and experiences with students to help put them on the path to success.**



INDIA

Trickle Up

Trickle Up takes a holistic approach to empowering some of India's poorest women. **MetLife Foundation's support helped sponsor Trickle Up's "graduation" programs in Odisha and West Bengal which provide ultra-poor households with training in an income-generating activity, financial assistance for business, on-going coaching, and personal financial skills-building through facilitating access to credit and savings.** Trickle Up's integrated package of services has shown promising results in breaking the multi-generational cycle of poverty.

"Ready, willing, and able"

Grants committed:
\$32 million
(45 percent of financial inclusion total)

PILLAR

“High quality products and services”

Grants Committed: **\$26 million**

(38 percent of financial inclusion total grant-making)



BANGLADESH

BURO



BURO is a respected and successful microfinance provider in Bangladesh. Recent research indicated that their largely rural customers would prefer an easier way to manage their microfinance loans. Customers would also like to take advantage of BURO’s savings and remittance services, but because those services require travel to a BURO branch office, many BURO customers use only the neighborhood-based lending groups.

With support from MetLife Foundation, BURO is adopting a mobile technology platform that will provide a convenient way to receive loan disbursements and make repayments, and eventually support more sophisticated transactions. By moving towards a cashless (or “cash lite”) model, BURO will benefit both itself and its customers. Going forward, customers can enjoy more personalized services than the “one size fits all” group loan without having to travel and spend time at a branch. BURO reduces risk of robbery or fraud, lowers the cost of service delivery, and improves efficiency.

If the pilot is successful, BURO expects all its 600+ branches to be mobile-enabled within four years.

UNITED STATES

Accion U.S. Network



Financial inclusion is not just an issue in developing countries. Even in the advanced economies, many people lack access to the financial tools they need to help them realize their dreams. This is especially true in low-income and minority communities. Either the right financial tools are not available, or the people don’t know how to find and use them, or it’s difficult to tell the good from the bad.

Accion U.S. Network is the leading nonprofit provider of microenterprise credit in the United States. Along with financial services, Accion U.S. Network provides business development training and other technical assistance to help low-income entrepreneurs succeed. (See related story page 7.) **This partnership helps Accion U.S. Network strengthen its digital offering so that more entrepreneurs confidently choose the right type of capital, at the right size, at the right time to position their businesses for success.**

UNITED STATES

Corporation for Enterprise Development Savings Innovation Learning Cluster

Americans’ low rate of household savings poses a serious threat to financial health. This is especially true for low-income households who are just as much—if not more—in need than better-off families of a cushion against economic shocks and



of ways to pursue their goals **With support from MetLife Foundation, CFED is developing and testing “next generation” savings models with six member organizations of CFED’s savings innovation learning cluster, or SILC.** The SILC launched a client-centered design process to understand clients’ needs, experiences, and attitudes around savings. They interviewed clients, mapped out each step clients take in using savings services, and continually tested concepts and marketing materials. These multiple design iterations resulted in refined, targeted pilot programs to help clients save. Each new savings pilot also included a randomized test to determine whether applying behavioral economics principles would improve outcomes. CFED and their SILC partners will share the results of the pilots, and examine their potential for replication on a larger scale.

PILLAR **2**



INDIA

Grameen Foundation, USA

One of the best-known names in financial inclusion, Grameen is working with MetLife Foundation to greatly expand outreach among communities in



Uttar Pradesh, one of India's poorest states. Grameen is working with Margdarshak, one of the leading microfinance institutions there, to help Margdarshak launch a "business correspondent" service. **Under the business correspondent model, agents acting on the financial institution's behalf fan out among poor and underserved communities. These agents (equipped with mobile technology) go door to door, enrolling and serving customers.** The model permits both banks and microfinance institutions to serve this clientele without the expense and inefficiencies of adding brick-and-mortar branches, while the customer gets the most personalized "doorstep banking" service possible.

With MetLife Foundation support, the Grameen Foundation project will reach at least 40,000 new households, the majority of them women living on less than \$2.50 per day, with the potential to reach up to 200,000 people.

EGYPT, INDIA, MEXICO

Women's World Banking



The classic microfinance lending methodology, especially for women, is the group loan. It can be a powerful tool for introducing low-income entrepreneurs to the financial system but a group loan may not provide sufficient capital or flexibility to support meaningful growth of an individual's enterprise. Women's World Banking is working in three large markets—Egypt, India, and Mexico—to increase access to more effective financial products, including individual loans tailored to successful entrepreneurs' needs.

With support from MetLife Foundation, WWB partners in these three markets will strengthen their operations to ensure delivery of better credit products to nearly 500,000 clients who in turn will see their enterprises better positioned for growth.

(See related story page 6.) Each partner institution will also collect gender-based social and financial performance indicators. These indicators will measure outreach to women, product design and diversity, service quality, customer protection, and staff diversity. They will also enable financial institutions to see how women customers contribute to their financial sustainability.

MEXICO

ProMujer



pro mujer

ProMujer's "Building a Pathway for the Economic Empowerment of Women in Latin America" will build upon the work they have been doing with low-income women throughout the region for nearly 25 years. With MetLife Foundation support, ProMujer will help women transition from group loans to individual borrowing. **ProMujer will support their clients' growth into individual loans through a systematic approach that positions them for greater economic success while also ensuring clients' access to other services such as health clinics, business training services, and a social space where they find a support amongst a network of peers and Pro Mujer staff.**

“Investing in research and sharing what we learn”

Grants committed:
\$16 million
(17 percent of financial inclusion total)

PILLAR **3**

BANGLADESH, VIETNAM, MEXICO, COLOMBIA

Bankable Frontiers Associates: OPTIX (Optimizing Performance Through Improved Cross Sell)



The Bankable Frontier Associates (BFA) Optimizing Performance Through Improved cross(X)-sell (OPTIX) project works with socially-driven financial service providers who can provide the full range of services low-income people need, not just credit. These institutions seek to meet their clients’ complete financial needs, and they also recognize that cross-selling financial products improves their own institutional sustainability.

The OPTIX partners (Cooperative Acreimex in Mexico; Banco WWB in Colombia; SAJIDA Foundation in Bangladesh; and Capital Aid Fund for Employment of the Poor [CEP] in Vietnam) will share learning with each other and with the industry as they work to serve their combined 700,000 low-income clients with more and better financial services. One of the project’s strengths is the market diversity. The four OPTIX countries contain significant differences in culture, financial services penetration, and regulatory policies, providing multiple perspectives that will benefit both the individual OPTIX partners and the broader financial inclusion community.

GLOBAL

The Financial Inclusion Challenge Managed by *The Wall Street Journal*

The Wall Street Journal, the United States’ largest newspaper by circulation, has been a trusted source of financial news since 1889. MetLife Foundation has launched a global project with the *Journal* to recognize achievement in financial inclusion and raise awareness about the issue. **MetLife Foundation is the exclusive sponsor of The Financial Inclusion Challenge, providing cash grants to institutions judged by a panel of independent experts to be leaders in financial inclusion innovation.**



UNITED STATES

Center for Financial Service Innovations Financial Health Index



Ninety percent of lenders use FICO scores to help them make credit decisions and, like any near-universal instrument, the FICO model has both its strengths and its drawbacks. Credit history is important, but it does not tell the whole story of a person’s financial health. **With support from MetLife Foundation, CFSI is working to create a broader scoring model that creates a more complete picture of a customer’s insurance, credit and savings needs.** CFSI is working on this alternative model in collaboration with leading lenders to ensure its practicality and eventual uptake.



UNITED STATES

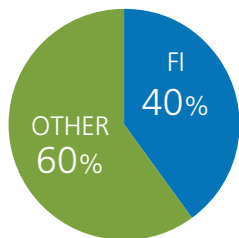
New School for Social Research

Rotating Savings and Credit Associations, or ROSCAs, are informal groups of friends and neighbors who come together to pool their savings. On a regular rotating basis, each member of the ROSCA gets a turn at winning the group’s collective savings to fund his or her small business, or for some other purpose. Each member continues to make regular contributions until all have eventually received the collected funds. ROSCAs are widespread throughout the developing world—but ROSCAs exist in the advanced economies, too, especially among recent immigrants.

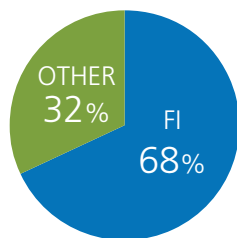
With support from MetLife Foundation, researchers from the New School are conducting a study of ROSCAs and other informal financial alternatives among low-income people in New York and California. Findings from this research will give the financial inclusion community a more accurate picture of what low-income people truly value in financial services, and perhaps suggest ways to improve product design by capturing some of the advantages (convenience, flexibility, trust) of preferred informal alternatives.

Financial inclusion is MetLife Foundation's global focus, both for the scale of the global need and for financial inclusion's close fit with MetLife Foundation's unique strengths. But **we are also proud to sponsor initiatives in other philanthropic areas. We fund non-financial inclusion projects that respond to local needs and that bring significant, tangible benefit to local communities.** Even as we increasingly concentrate our grant-making on financial inclusion, we also expect to continue targeted support for local initiatives throughout the life of our five-year strategic plan.

Distribution of Financial Inclusion vs non-Financial Inclusion



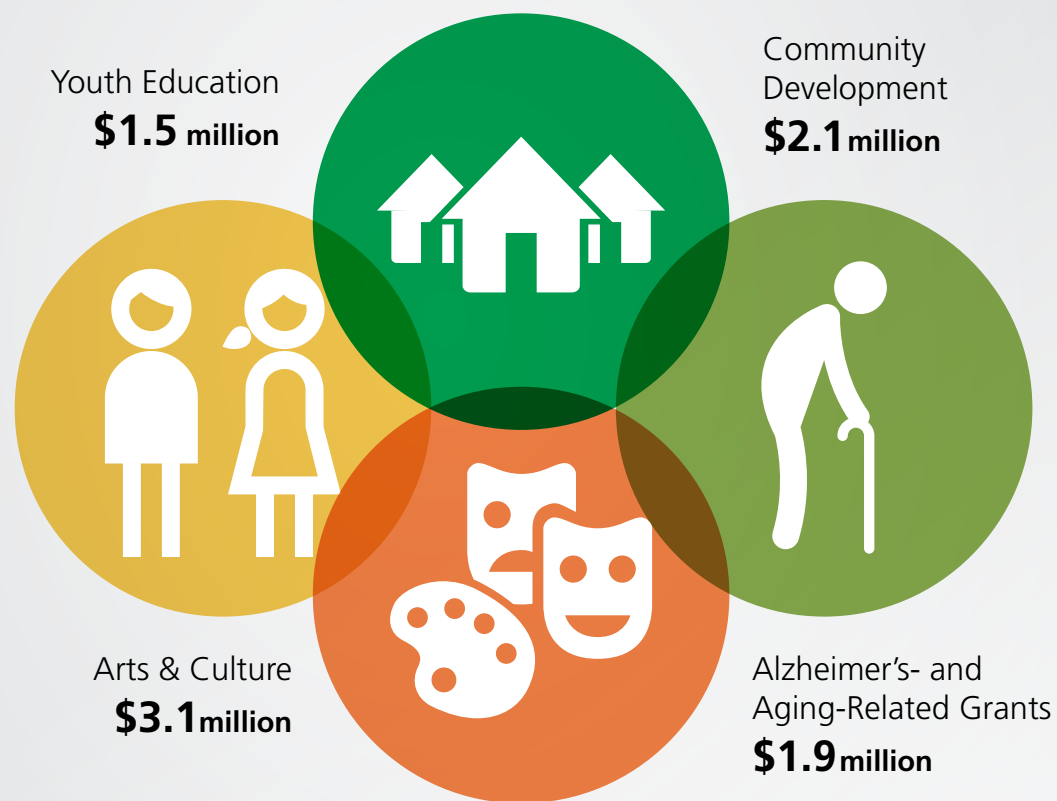
2013
Total Giving*:
\$42.5MM



2014
Total Giving*:
\$41.4MM

* Cash only; includes grants for financial inclusion, civic and cultural, employee-related and other

Among the Foundation's areas of support:



Associate Involvement



KaBOOM! is the national non-profit dedicated to bringing balanced and active play into the daily lives of all kids, particularly those growing up in poverty in North America. **MetLife Foundation has been a partner of KaBOOM! since 2008, providing more than \$3 million in support for playground builds.** MetLife associates have participated in more than twenty-five playground builds across the United States and in Mexico, contributing more than 15,000 volunteer hours.



Girl Scouts of the USA and the World Association of Girl Guides and Girl Scouts (WAGGGS) - The new *Girl Scouts Global Financial Empowerment Initiative* funded by MetLife Foundation centers on empowering girls by increasing their financial capability. Girls in seven countries around the world learn about budgeting, saving, bank loans, credit cards, and credit scores to introduce them to concepts that will allow them to make smarter financial decisions in the future. The Girls Scouts also partner with MetLife's Women's Business Network to provide girls the opportunity to interact with MetLife leadership. They learn first-hand about the workplace and build job readiness and skills while forging new friendships and having fun.



MetLife recognizes the importance of volunteers and the impact they have on improving the lives of others. MetLife associates around the world donate their time and talents to help youth develop literacy skills, to teach students the importance of financial responsibility, and to mentor the next generation of leaders through a variety of outreach initiatives. For over 100 years, volunteerism has been a hallmark of MetLife's legacy.

In 2014, more than 7,300 employees spent approximately 62,000 hours volunteering their time in 175 events globally.



Habitat for Humanity International's mission is creating safe, affordable housing for low-income families around the world. **MetLife Foundation** has been proud to support Habitat for the past two decades, and MetLife volunteers have participated in more than a hundred builds and home repairs across the globe. Locations include Brazil, Bangladesh, Colombia, India, Korea, Mexico, United Kingdom and the United States.



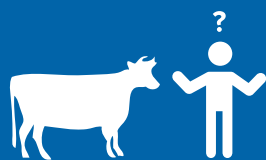
40%

Share of world's population living on \$2 per day or less

20%

Percentage of low-income (< \$2/day) people with access to even basic financial services

? What do you do when you can't keep your savings in the bank? Put spare cash towards more livestock . . . but you can't withdraw just a portion of a cow



Hide it in your mattress... and hope it doesn't get stolen

? What do you do when you can't get a start-up loan for your great business idea?



Ask family and friends... and hope they have some to spare

? Why not just go to the bank?

Banks' products are often not designed for low-income customers' needs. Banks can also be far away, unfamiliar, and intimidating.



FINANCIAL INCLUSION Towards

Access & Knowledge PILLAR 1

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

Building Financial Capability for Young People • Counseling and Coaching for Adults

Access to PILLAR 2

Advancing the delivery of high quality products and services including insurance, and credit

Mobile Phone Banks and Pop Shops • Behavioral Economics



the Vision



Services

Development and quality financial services like savings, credit

Banking • Mom-Doorstep Banking Economics

Access to Insights PILLAR 3

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

Research • Policy • Public Awareness

Affordable products
Respectful service
Thriving businesses
Assets
Stability
Secure old age
Income
Children in school
Inclusion
Healthy Families
Security
Safe housing
More from life
Growing economies
Weddings
Futures
Convenience
happiness
choice

Financial inclusion means that households and businesses have convenient access to all the financial tools they need. MetLife Foundation's financial inclusion strategy rests on three strong pillars. We support the people and institutions striving to make financial inclusion a reality.

2014 at a Glance

62K

Volunteer Hours

\$47MM

MetLife and MetLife Foundation Total Giving



216

Grantees*

23

Countries Represented



Financial Inclusion

2014 Paid

Access & Knowledge

| | |
|--|------------------|
| American India Foundation | 25,750 |
| Concern WorldWide | 250,000 |
| Corporation for Enterprise Development | 135,000 |
| Credit Builders Alliance | 150,000 |
| Eagle Academy Foundation | 12,000 |
| Food Bank for New York City | 50,000 |
| Girl Scouts of the USA | 800,044 |
| Give2Asia working with CFFPD | 260,000 |
| Homeowners Preservation Foundation | 250,000 |
| International Rescue Committee | 352,000 |
| JA Worldwide | 1,557,100 |
| Junior Achievement (Various) | 270,220 |
| MIDE via Resource Foundation | 47,983 |
| National Human Services Assembly | 250,000 |
| National Urban League | 425,000 |
| Sesame Workshop | 4,000,000 |
| TechnoServe | 250,000 |
| Union of Citizens Bureau Poland via King Baudouin Foundation | 25,000 |
| United Way of Cass-Clay | 2,700 |
| Veterans Plus | 245,000 |
| Access & Knowledge Total | 9,357,797 |

Access to Services

| | |
|---|-----------|
| Accion International | 250,000 |
| Accion, The US Network | 650,000 |
| Achieving the Dream | 250,000 |
| Bankable Frontiers Associates via Rockefeller Philanthropy Advisors | 2,833,332 |
| Behavioral Ideas Lab | 790,000 |
| BURO via Rockefeller Philanthropy Advisors | 370,800 |
| Duke University | 250,000 |
| Enclude via Tides Foundation | 250,000 |
| Fair Finance via Rockefeller Philanthropy Advisors | 500,000 |
| Foundation for the Development Of Polish Agriculture via King Baudouin Foundation | 26,500 |

| | |
|--|-------------------|
| Grameen Foundation | 541,000 |
| KIVA Microfunds | 1,250,000 |
| MDRC | 730,000 |
| National Federation of Community Development Credit Unions | 790,000 |
| Opportunity International | 900,000 |
| Pro Mujer | 775,000 |
| Rockefeller Philanthropy Advisors | 147,550 |
| Svasti via Rockefeller Philanthropy Advisors | 237,000 |
| United Nations Capital Development Fund | 250,000 |
| Women's World Banking | 1,714,555 |
| Worldwide Foundation for Credit Unions | 175,000 |
| Access to Services Total | 13,680,737 |

Access to Insights

| | |
|--|------------------|
| Access India via Rockefeller Philanthropy Advisors | 51,500 |
| Accion International | 100,000 |
| Asset Funders Network via Philanthropy New York | 116,000 |
| Cities for Financial Empowerment (CFE) Fund | 110,000 |
| D2D Fund | 250,000 |
| Encore.org | 455,000 |
| Financial Innovations Center | 1,635,000 |
| Give2Asia | 54,500 |
| HelpAge USA | 248,800 |
| Irrational Labs Corp | 250,000 |
| Japan NPO Center via Rockefeller Philanthropy Advisors | 21,000 |
| King Baudouin Foundation | 42,566 |
| MDRC | 350,000 |
| Microinsurance Network via King Baudouin Foundation | 13,125 |
| MicroSave India via Rockefeller Philanthropy Advisors | 68,000 |
| New School | 51,728 |
| ProDesarollo via Rockefeller Philanthropy Advisors | 100,000 |
| Rockefeller Philanthropy Advisors | 25,000 |
| Sanabel via Rockefeller Philanthropy Advisors | 77,250 |
| Taproot Foundation | 40,000 |
| Trickle Up | 100,000 |
| University of Texas at Austin | 50,000 |
| Access to Insights Total | 4,209,469 |

MetLife
Foundation
Grants
Disbursed
During 2014

Access & Knowledge
\$9,357,797

Access to Services
\$13,680,737

Access to Insights
\$4,209,469

Financial Inclusion Total
\$27,248,003

All figures in US dollars.

Health

| | |
|---|------------------|
| Alzheimer's Association | 340,000 |
| American Federation for Aging Research | 220,000 |
| Awards for Medical Research working with American Federation for Aging Research | 800,000 |
| Damon Runyon Cancer Research Foundation | 200,000 |
| National Alliance for Caregiving | 50,000 |
| New York Blood Center | 250,000 |
| Health Total | 1,860,000 |

Civic Engagement

| | |
|---|----------------|
| All Stars Project | 250,000 |
| ARC of the United States | 100,000 |
| CASA of Morris & Sussex Counties | 25,000 |
| Foundation Center | 7,500 |
| Human Rights Campaign | 25,000 |
| Independent Sector | 15,000 |
| Lawyers Alliance for New York | 10,000 |
| Midland Adult Services | 10,000 |
| New York City Partnership Foundation | 70,000 |
| PFLAG | 40,000 |
| Philanthropy New York | 50,000 |
| Regional Plan Association | 25,000 |
| Rosie's Place | 10,000 |
| SAGE | 50,000 |
| Somerset County Business Partnership | 10,000 |
| ULI Foundation | 2,500 |
| United Cerebral Palsy | 25,000 |
| University of North Carolina at Charlotte, Belk College | 100,000 |
| University of Scranton | 10,000 |
| Victory Institute | 10,000 |
| Civic Engagement Total | 845,000 |

Veterans

| | |
|--------------------------------|---------|
| American Corporate Partners | 50,000 |
| Community Hope | 15,000 |
| Home Base | 50,000 |
| Local Initiatives Support Corp | 150,000 |
| Purple Heart Hall of Honor | 2,500 |
| The Field for Basetrack | 60,000 |

| | |
|------------------------|----------------|
| US Chamber of Commerce | 100,000 |
| USO of Metropolitan NY | 5,000 |
| Veterans Total | 432,500 |

Community Development

| | |
|---|------------------|
| American Red Cross | 250,000 |
| AmeriCares Foundation | 100,000 |
| Chicago Community Loan Fund | 25,000 |
| Community Loan Fund of New Jersey | 25,000 |
| Farm Foundation | 5,000 |
| Food Bank Initiative | 290,000 |
| Generations United | 225,000 |
| Housing and Community Development Network of NJ | 10,000 |
| Interfaith Food Pantry | 10,000 |
| Living Cities | 350,000 |
| Local Initiatives Support Corporation | 385,000 |
| Massachusetts Association of CDCs | 10,000 |
| Neighborhood Housing Services of New York City | 50,000 |
| Partners for Livable Communities | 15,000 |
| Ronald McDonald House of Tampa Bay | 5,000 |
| Trust for Public Land | 170,000 |
| Un TECHO/Valparaiso Chile Relief | 150,000 |
| United Neighborhood Houses | 15,000 |
| Community Development Total | 2,090,000 |

Arts & Culture

| | |
|---|---------|
| American Museum of Natural History | 200,000 |
| Americas Society | 75,000 |
| Arts Council of the Morris Area | 10,000 |
| Asia Society | 425,000 |
| Ballet Hispanico of New York | 125,000 |
| Boston Symphony Orchestra | 15,000 |
| Brooklyn Academy of Music | 50,000 |
| Brooklyn Children's Museum | 25,000 |
| Carnegie Hall | 50,000 |
| Catalog for Giving of NYC | 10,000 |
| Chamber Music Society of Lincoln Center | 35,000 |
| Chicago Children's Museum | 25,000 |
| Children's Museum Jordan | 20,000 |
| Dayton Art Institute | 15,000 |

MetLife
Foundation
Grants
Disbursed
During 2014

Health Total
\$1,860,000

Civic Engagement Total
\$845,000

Veterans Total
\$432,500

**Community
Development Total**
\$2,090,000

| | |
|---|------------------|
| Discovery Place | 25,000 |
| El Museo del Barrio | 50,000 |
| Foundation for the Carolinas | 25,000 |
| Hartford Symphony Orchestra | 25,000 |
| High Line | 50,000 |
| Highbridge Voices | 5,000 |
| Japan Society | 75,000 |
| Levin Museum of the New South | 25,000 |
| Lincoln Center for the Performing Arts | 50,000 |
| Los Angeles Philharmonic | 25,000 |
| Lower East Side Tenement Museum | 15,000 |
| Marbles Kids Museum | 10,000 |
| Metropolitan Museum of Art | 130,000 |
| Morris Museum | 10,000 |
| Munson Williams Proctor Institute | 10,000 |
| Museum of Science, Boston | 25,000 |
| National Museum of Women in the Arts | 5,000 |
| New York Botanical Garden | 600,000 |
| New York City Ballet | 25,000 |
| New York City Center | 125,000 |
| New York Hall of Science | 25,000 |
| New York Philharmonic | 325,000 |
| New York Public Library | 25,000 |
| New York Public Radio | 50,000 |
| North Carolina Symphony Society | 25,000 |
| Paper Mill Playhouse | 10,000 |
| Providence Children's Museum | 25,000 |
| Public Theater | 35,000 |
| Repertorio Espanol | 100,000 |
| South Street Theater | 5,000 |
| St. Louis Art Museum | 10,000 |
| St. Louis Symphony Orchestra | 20,000 |
| State Theatre Regional Arts Center at New Brunswick | 15,000 |
| Studio Museum in Harlem | 15,000 |
| Tampa Bay Performing Arts Center | 25,000 |
| United Arts Council of Raleigh and Wake County | 2,500 |
| Arts & Culture Total | 3,102,500 |

Youth/Education

| | |
|---|------------------|
| Actuarial Foundation | 10,000 |
| American Indian College Fund | 15,000 |
| Asia Society | 250,000 |
| Big Brothers Big Sisters of America | 500,000 |
| Boys & Girls Clubs of America | 150,000 |
| Boys & Girls Clubs of Hartford | 20,000 |
| Boys & Girls Clubs of Tampa Bay | 5,000 |
| Greater Johnstown YMCA | 12,500 |
| Harlem Educational Activities Fund | 10,000 |
| Hispanic Scholarship Fund | 30,000 |
| Matching Gifts for Higher Education | 737,115 |
| National FFA Foundation | 21,250 |
| New Leaders | 100,000 |
| North Carolina Business Leaders for Education | 10,000 |
| Opportunity Network | 25,000 |
| Police Athletic League | 50,000 |
| Read Alliance | 7,500 |
| Rhode Island Mentoring Partnership | 15,000 |
| Scholarships for Employees' Children | 586,963 |
| United Negro College Fund | 50,000 |
| YMCA of Greater New York | 200,000 |
| YMCA of Metropolitan Chicago | 15,000 |
| Youth/Education Total | 2,820,328 |

Associate Involvement

| | |
|------------------------------------|------------------|
| Employee Volunteer Programs | 575,625 |
| Habitat for Humanity International | 394,180 |
| KaBOOM! | 839,072 |
| Local United Ways | 750,000 |
| Un TECHO | 110,826 |
| Associate Involvement Total | 2,669,703 |

Grand Total **41,068,034**

MetLife
Foundation
Grants
Disbursed
During 2014

Arts & Culture Total
\$3,102,500

Youth/Education Total
\$2,820,328

**Associate
Involvement Total**
\$2,669,703

**MetLife Foundation
Non-FI Giving Total**
\$13,820,031

Foundation Giving
\$41,068,034

MetLife Giving*
\$5,990,292

Giving Total
\$47,058,326

* Figure reflects sum of grants made during 2014 by MetLife corporate and regional/country offices. It is included in this report to provide a fuller picture of philanthropic contributions of MetLife global family of companies. MetLife Foundation is a separate legal entity.

METLIFE FOUNDATION
STATEMENTS OF FINANCIAL POSITION AS OF DECEMBER 31, 2014 AND 2013

| ASSETS | NOTES | 2014 | 2013 |
|---|-------|-----------------------|-----------------------|
| Investments: | | | |
| Investments, at fair value: | | | |
| Equity investments | | \$ 168,090,542 | \$ 151,164,794 |
| Short-term investments | | 16,697,762 | 14,496,291 |
| Program-related investments | 1 | 4,085,065 | 4,012,690 |
| Total investments | | 188,873,369 | 169,673,775 |
| Cash and cash equivalents | 1 | 1,154,376 | 9,315,562 |
| Due and accrued investment income | | 2,930 | 3,472 |
| Amounts receivable for investments sold | 1 | 5,629,607 | - |
| TOTAL ASSETS | | \$ 195,660,282 | \$ 178,992,809 |

| LIABILITIES AND NET ASSETS | | | |
|--|---|-----------------------|-----------------------|
| Cash overdraft | 1 | \$ 1,455,693 | \$ 2,848,511 |
| Amounts payable for investments acquired | | - | 1,855,269 |
| Accrued expenses and other payables | | 376,500 | 317,425 |
| Federal excise tax payable | | 490,192 | 362,429 |
| Total liabilities | | 2,322,385 | 5,383,634 |
| Net assets – unrestricted | | 193,337,897 | 173,609,175 |
| TOTAL LIABILITIES AND NET ASSETS | | \$ 195,660,282 | \$ 178,992,809 |

See notes to financial statements

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

| REVENUE | NOTES | 2014 | 2013 |
|-------------------------------------|-------|----------------------|----------------------|
| Investment income: | | | |
| Dividends and interest | | \$ 4,109,505 | \$ 3,461,763 |
| Change in fair value of investments | 1 | 13,512,871 | 11,820,558 |
| Contributions from MetLife | 3 | 44,000,000 | 45,000,000 |
| Total revenue | | \$ 61,622,376 | \$ 60,282,321 |

| GRANTS AND EXPENSES | | | |
|---------------------------------|---|-----------------------|-----------------------|
| Grants paid | | 41,068,034 | 42,488,850 |
| General expenses | 4 | 472,557 | 651,549 |
| Federal excise tax | 5 | 353,063 | 314,882 |
| Total grants and expenses | | 41,893,654 | 43,455,281 |
| CHANGE IN NET ASSETS | | 19,728,722 | 16,827,040 |
| Net assets – beginning of year | | 173,609,175 | 156,782,135 |
| NET ASSETS – end of year | | \$ 193,337,897 | \$ 173,609,175 |

See notes to financial statements

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

Financial Overview

| CASH FLOWS FROM OPERATING ACTIVITIES: | 2014 | 2013 |
|---|---------------------|---------------------|
| Change in net assets | \$ 19,728,722 | \$ 16,827,040 |
| Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities: | | |
| Change in fair value of investments | (13,512,871) | (11,820,558) |
| Accretion of discount/amortization of premiums on investments | (15,828) | (12,015) |
| Change in due and accrued investment income | 542 | 387 |
| Change in cash overdraft | (1,392,819) | 1,922,922 |
| Change in accrued expenses and other payables | 59,075 | (130,075) |
| Change in federal excise tax payable/recoverable | 127,763 | 197,882 |
| Net cash provided by operating activities | \$ 4,994,584 | \$ 6,985,583 |

| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
|--|---------------------|---------------------|
| Proceeds from sale of investments | 71,843,276 | 72,114,286 |
| Purchase of investments | (84,999,046) | (72,106,240) |
| Net cash (used in) provided by investing activities | (13,155,770) | 8,046 |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | (8,161,186) | 6,993,629 |
| Cash and cash equivalents – beginning of year | 9,315,562 | 2,321,933 |
| CASH AND CASH EQUIVALENTS – end of year | \$ 1,154,376 | \$ 9,315,562 |
| Supplemental disclosures of cash flow information – Federal excise taxes paid | \$ 225,300 | \$ 117,000 |

See notes to financial statements

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, 2014 and 2013, 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

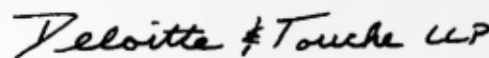
procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation 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, 2014 and 2013, 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 13, 2015

METLIFE FOUNDATION NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2014 AND 2013 AND FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

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, 2014 and December 31, 2013, 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, 2014 and December 31, 2013 represent grant disbursements that cleared the operating bank account in 2015 and 2014, respectively.

Amounts Receivable for Investments Sold – Security transactions are recorded on the trade date. A receivable is recognized for securities sold but not yet settled as of December 31, 2014.

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 2014 and 2013 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.

Use of 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 changes therein and the disclosure of contingent assets and liabilities as of 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.

Future Adoption of New Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (“FASB”) issued a comprehensive new revenue recognition standard (Accounting Standards Update (“ASU”) 201409, *Revenue from Contracts with Customers (Topic 606)*), effective retrospectively for fiscal years beginning after December 15, 2016 and interim periods within those years. Early adoption of this standard is not permitted. The new guidance will supersede nearly all existing revenue recognition guidance under GAAP; however, it will not impact the accounting for insurance contracts, leases, financial instruments and guarantees. For those contracts that are impacted by the new guidance, the guidance will require an entity to recognize revenue upon the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to, in exchange for those goods or services. The Foundation is currently evaluating the impact of this guidance on its’ financial statements.

In April 2013, the FASB issued new guidance (ASU 201306, *Not-for-Profit Entities (Topic 958): Services Received from Personnel of an Affiliate (a consensus of the FASB Emerging Issues Task Force)* effective prospectively for fiscal years beginning after June 15, 2014 and interim periods thereafter. The new guidance requires a recipient not-for-profit (“NFP”) entity to recognize all services received from personnel of an affiliate that directly benefit the NFP and for which the affiliate does not charge the NFP. Those services should be measured at the cost recognized by the affiliate for the personnel providing those services. However, if measuring a service received from personnel of

an affiliate at cost will significantly overstate or understate the value of that service, the recipient NFP may elect to recognize that service at its fair value. The Foundation is currently evaluating the impact of this guidance on its’ financial statements.

2. FAIR VALUE MEASUREMENTS

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, 2014: | | | | |
| Equity investments | \$ 67,214,766 | \$ 100,860,776 | \$ 15,000 | \$ 168,090,542 |
| Short-term investments | | 16,697,762 | - | 16,697,762 |
| Cash equivalents | 399,998 | 199,993 | - | 599,991 |
| Total | \$ 67,614,764 | \$ 117,758,531 | \$ 15,000 | \$ 185,388,295 |
| 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 |

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.

All instruments have valuations using independent pricing sources, matrix pricing, discount cash flow methodologies or other similar techniques that use market observable and/or unobservable inputs.

| Instrument: | Level 2 Observable | Level 3 Unobservable |
|--|--|---|
| Equity Investments | | |
| | <p>Valuation Techniques: Principally valued using the market approach. Key Inputs: Valuations are based primarily on matrix pricing, discounted cash flow methodologies, as well as:</p> <ul style="list-style-type: none"> • observable inputs, including quoted prices in markets that are not considered active | <p>Valuation Techniques: Principally valued using the market and income approaches. Key Inputs: Valuations are based primarily on discounted cash flow methodologies, as well as:</p> <ul style="list-style-type: none"> • 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 • independent non-binding broker quotations, credit ratings, and issuances structures |
| Short-term Investments and Cash Equivalents | | |
| | <p>Valuation Techniques: Principally valued using the market approach. Key Inputs: Valuations are based primarily on quoted prices in markets that are not active, as well as:</p> <ul style="list-style-type: none"> • benchmark U.S. Treasury yield or other yields • the spread off the U.S. Treasury yield curve for the identical security • issuer ratings • broker-dealer quotes • issuer spreads • reported trades of similar securities, including those that are actively traded, and those within the same sub-sector or with a similar maturity or credit rating | <p>Valuation Techniques: Principally valued using the market approach. Key Inputs: Valuations are based primarily on quoted prices</p> <ul style="list-style-type: none"> • credit spreads • 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 • independent non-binding broker quotations |

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 any level are assumed to occur at the beginning of the period.

For assets measured at estimated fair value and still held at December 31, 2014, transfers between Levels 1 and 2 were \$80 million. There were no transfers into or out of Level 3 during the year ended December 31, 2014. There were no transfers amongst the three categories of the fair value hierarchy during the year ended December 31, 2013.

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, 2014 and 2013.

| | Balance, January 1 | Investment Income (1) | Purchases | Sales | Balance, December 31 |
|---------------------------|-----------------------|--------------------------|-----------|-------|-------------------------|
| December 31, 2014: | | | | | |
| Equity investments | \$ 15,000 | \$ - | \$ - | \$ - | \$ 15,000 |
| Short-term investments | - | - | - | - | - |

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

(1) Amortization of premium/accretion of 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 2014 and 2013, MetLife contributed cash of \$44,000,000 and \$45,000,000, 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 2014 and 2013. The rate for deferred excise taxes was 2% in 2014 and 2013. There were no uncertain tax positions taken by the Foundation as of December 31, 2014.

6. COMMITMENTS

As of December 31, 2014, the Board of Directors had authorized grants and program-related investments for future years as follows:

| | Conditional Grants | Program-Related Investments |
|------|----------------------|-----------------------------|
| 2015 | \$ 10,630,052 | \$ 3,000,000 |
| 2016 | 9,374,331 | |
| 2017 | 5,100,000 | |
| | \$ 25,104,383 | \$ 3,000,000 |

These commitments are based on conditions that must be met and are therefore not included as a liability on the Statements of Financial Position.

As of December 31, 2014, 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 13, 2015, which is the date these financial statements were available to be issued. There are no transactions or events requiring disclosure.

LOOKING FORWARD

At the end of 2014, MetLife Foundation was about one-third of the way through our five-year strategic plan. We've built a small but dedicated team—one that is backed by a global family of MetLife associates numbering in the tens of thousands who are increasingly energized by the Foundation's mission. After early days of making some smaller experimental grants, we're now beginning to make more ambitious, multi-year commitments to projects with break-through potential. We have partnered with some of the most respected names in financial inclusion, and we're excited to identify next-generation leaders.

MetLife Foundation is truly grateful for the opportunity in front of us to make a lasting contribution to the financial health of millions of people. We look forward to sharing what we learn along the way.

Board of Directors

Frans Hijkoop

Executive Vice President & Chief HR Officer

Michel Khalaf

President, EMEA

Maria Morris

Executive Vice President, Global Employee Benefits

John Rosenthal

Senior Managing Director, Global Portfolio Management

Oscar Schmidt

Executive Vice President, Latin America

Eric Steigerwalt

Executive Vice President, U.S. Retail

Chris Townsend

President, Asia

Dennis White

President & CEO, MetLife Foundation

Mike Zarcone

Chairman, MetLife Foundation,
& Executive Vice President, Corporate Affairs

Staff

April Hawkins

Mavel Jones

Rick Love

Charlie Pettigrew

Evelyn Stark

Junko Tashiro

Krishna Thacker

MetLife Foundation

Ensuring Access. Empowering Communities.

2014 | Annual Report



MetLife Foundation | 1095 Avenue of the Americas New York, NY 10036 | www.metlife.org | © 2015 METLIFE, INC.

All photos from MetLife Foundation files except where otherwise indicated.
BURO: Front cover first and sixth from left; page 10. ACCION: Front cover second and fourth from left;
page 3, first and fourth on left, second, third, and fourth on right; page 5; page 7.
PRO MUJER: Front cover third from left. TRICKLE UP: Page 3, third from top left; page 9.
WOMEN'S WORLD BANKING: Page 3 top right; page 6. GRAMEEN: Page 4; page 11. Used with permission.