



Sustainable Investment Policy Statement



Signatory to the Principles for Responsible Investment (PRI)

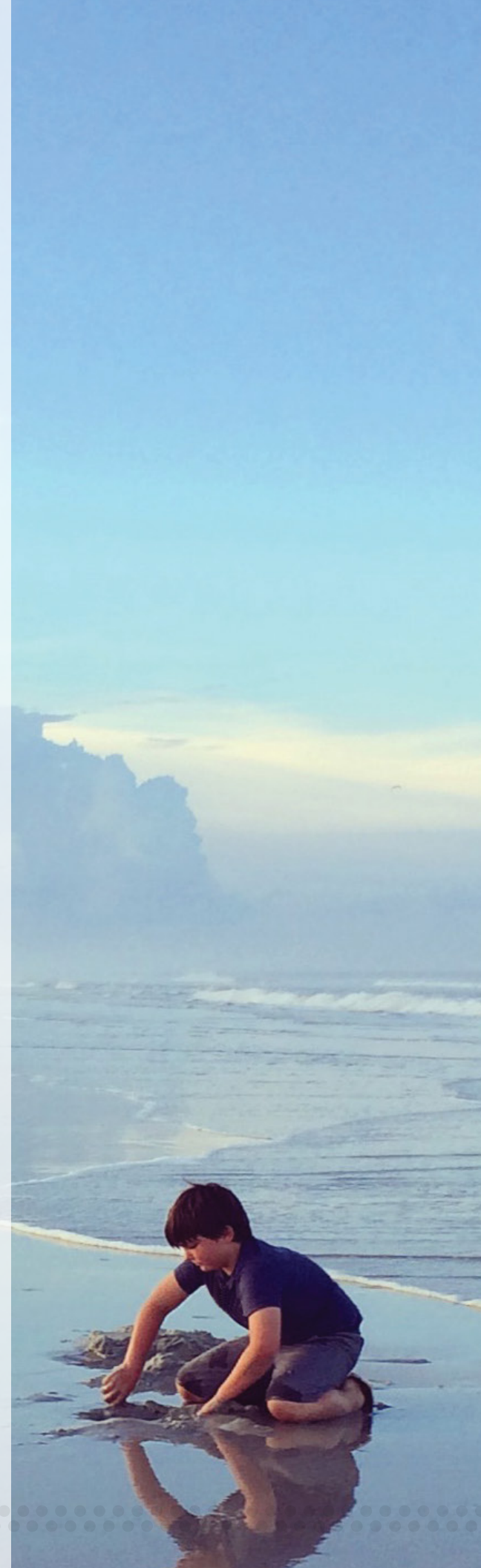
MassMutual® is a signatory to the United Nations-supported Principles for Responsible Investment (PRI) Initiative. As a signatory, we have publicly committed to adopt and implement the six Principles where consistent with commitments to our policyowners and customers. Through its reporting and assessment process, the PRI requires accountability and transparency on the part of its signatories, and as a signatory, MassMutual is required to provide annual reports on implementing responsible investing.

Signatory of:



Net Zero Greenhouse Gas (GHG) Emissions by 2050

We have committed to transitioning our investment portfolio to net zero GHG emissions by 2050 through responsible investment and stakeholder collaboration, making MassMutual the first U.S.-based mutual insurance company to make this pledge.





Our Commitment to Our Policyowners and Customers

Our purpose is to help people secure their future and protect the ones they love. In managing MassMutual's General Investment Account (GIA), we seek to generate long-term investment performance to support MassMutual's financial strength and ability to meet its financial commitment to policyowners. As part of this commitment, we consider sustainability factors throughout the investment process because we believe doing so improves risk-adjusted returns.

Sustainable Investment Policy

Sustainability integration is accomplished in the following ways:

- Consideration of the impacts of climate change and other sustainability factors on long-term asset returns when determining the appropriate allocation to specific asset classes, sectors, and regions
- The philosophy that companies and issuers with good sustainability practices, for example those on the pathway to net zero GHG by 2050, should be rewarded with a lower cost of capital. Furthermore, for companies lagging in sustainability and the transition to a net zero GHG economy, we believe an engagement-centered approach is more productive than a divestment approach
- Investments proposed at Internal Approval Committee include a sustainability assessment, highlighting the related risks and/or merits
- Investment due diligence of proposed investment managers for the GIA includes a sustainability assessment, which is reviewed annually
- Monitoring of ESG ratings and other sustainability analytics and metrics, including GHG emissions, where available, for investment holdings

Below are examples of the sustainability factors that are reviewed as part of the asset allocation process and in selecting investments and investment managers. More information on our overall approach to sustainability, including environmental stewardship, social responsibility and governance, can be found [here](#).

SUSTAINABILITY FACTORS



ENVIRONMENTAL

Climate Change, Transition to Zero GHG emissions by 2050, Biodiversity, Deforestation, Clean Water and Sanitation, Carbon and Pollution Emissions, Exposure to Transition Risks, Fossil Fuels/ Renewable Energy Mix, Natural Resource Usage, Diversion and Waste Management Policies



SOCIAL

Diversity, Equity, and Inclusion, LGBTQ Rights, Defeating Poverty, Fair Labor Practices, Access to Healthcare and Education, Reputation Risks, Ethical Supply Chain Practices, Labor Practices, Equality, Diversity and Equal Opportunity, Marketing and Selling Practices, Privacy and Cyber Security, Community Relations



GOVERNANCE

Tax and Accounting Policy, Regulatory Environment Board Composition, Board Remuneration, Strategy, Business Plan and Performance, Transparency and Reporting, Public Policy, Anti-Competitive Practices, Conflicts of Interest, Fraud, Lawsuits, Fines, Regulatory Violations, Cyber, Data and Privacy Practices, Risk Management Practices

Barings

MassMutual and Barings, the primary investment adviser for MassMutual's GIA, share the same philosophy on sustainability in the investment process. Barings is a signatory to the PRI, a member of the UN Global Compact, and publicly supports the Task Force on Climate-Related Financial Disclosures. Barings acts as a steward of MassMutual's capital through four main mechanisms:

1. Robust investment process, where sustainability information is integrated into analysis
2. Engagement with companies, issuers, policymakers and industry bodies in support of sustainable practices, improved transparency and a durable financial system
3. Influence and control over certain assets in which MassMutual invests
4. Voting activities, where this is possible

We work closely with Barings to assess GIA investments based on various sustainability criteria (e.g. carbon emissions intensity), enabling better understanding of portfolio risks and decision making around desired sustainability outcomes. We continue to build on this work by expanding our asset coverage universe and sustainability analytics. More on Barings' approach to sustainability and responsible investing can be found [here](#).



Why Impact Investing? Responsible Investment Lens

Through MassMutual’s impact investments — which are part of our GIA — we focus on investing capital in companies and funds that are overlooked because of systemic barriers. In doing so, we aim to generate positive, measurable social and environmental impact, while addressing inequality in capital markets. This enables MassMutual to capture the market opportunity that exists by investing in and serving the needs of all Americans.

We launched two impact investing initiatives in 2021. The MassMutual Catalyst Fund invests in Black-led startups as well as rural-based businesses across Massachusetts. Through the First Fund Initiative, we are committing to invest catalytic capital in Black, Hispanic/Latino/Latinx, and Indigenous emerging managers to advance racial equity. First Fund’s allocation strategy centers on funds that are systemically overlooked by financial institutions and have a differentiated investment thesis, with the ability to generate positive social impact as well as financial returns.

Building a sustainable future,
together.

