2016 Annual Report
MetLife’s business success throughout its nearly 150-year history has been based on helping our customers successfully navigate life’s financial challenges. We are proud that MetLife Foundation’s financial inclusion initiative is helping people around the world do the same.

The Foundation’s initiative has now helped 1.5 million people in 39 countries gain access to financial products, services, and institutions that they need to build better and more secure lives. At the same time, the Foundation is advancing our understanding of how we can best help people make sound decisions about the financial choices they face in life.

We are also proud that the Foundation continues to honor MetLife’s longstanding commitment to the communities where we do business through its support for arts and cultural organizations, health research, and community development.

Financial inclusion means that households and businesses have convenient access to a full range of quality, affordable financial services, delivered by trustworthy providers who treat customers with respect. These services enhance financial well-being, enabling more people to manage life’s risks, seize its opportunities, and pursue their dreams.

On the cover: Maria de Jesus lives in a rural community in Sogamoso, Colombia. She is a client of Fundación delamujer, the Colombian partner of MetLife Foundation grantee Women’s World Banking, and uses credit products specifically designed for rural women. Photo courtesy of Women’s World Banking, used with permission.

When MetLife Foundation launched our financial inclusion strategy in 2013, the financial inclusion industry was beginning to show that a well-coordinated global effort could produce impressive results. We saw that more than 2 billion people lacked access to formal financial services. But we also saw how steadily that gap was being closed. Financial services providers, investors, donors, regulators, and many other parties were collaborating to bring more and better financial services to massive numbers of unserved or underserved people. Digital technology was making it possible to expand financial service as never before, even to geographically isolated and very low-income communities.

In 2016, the Foundation made USD 43 million in contributions, with 70 percent going to financial inclusion grants. This report describes a selection of our work to illustrate how we are making an impact. We want to ensure that more people have all the financial tools they need and know how to use them to help make their dreams a reality. We want to strengthen the capacity of financial services providers to understand their customers and deliver what they need in a way that is sustainable for the providers, and is safe, affordable, and effective for customers. And we want to build the knowledge of the industry. We learn from every grant we make, and are committed to sharing those lessons.

MetLife Foundation is deeply encouraged by the progress that the industry is making globally and in individual markets. While we know that there is still much work ahead, we look forward to a future that is financially secure for all.

Inspired by the Foundation’s commitment to accelerating financial inclusion globally, MetLife associates collectively volunteered more than 90,000 hours of service, a 25 percent increase from 2015.
Why does financial inclusion matter?

The right financial services can make all the difference. For families. For financial institutions. For communities.

For families, financial inclusion means having the tools to manage money, deal with setbacks, and seize opportunities. Affordable credit—whether it’s a mortgage or a student loan or capital to start a business—can be what turns a dream into a concrete plan for a better future. A savings account can be that all-important first step on the path to a more secure future. Insurance can keep a problem from spiraling into a devastating crisis. Long-term investments and pension savings can ease the vulnerability that comes with aging.

For financial institutions, financial inclusion means reaching a larger pool of customers and serving those customers over the long term. New digital channels and business models are affordably delivering more and better services to more people – nearly 1 billion of whom are new users of formal financial services.

For communities, financial inclusion means reaching the majority. In many countries, the majority of the population remains outside the formal financial system. Financial inclusion means bringing them into that system and making sure it works for them. When effective financial services help the majority achieve their goals, whether to educate children, pursue better health and nutrition, improve property, start or expand a business, or build savings, entire communities stand to benefit.

Our Approach

MetLife Foundation designed its financial inclusion strategy after extensive consultation with global leaders in the industry. We wanted to ensure that our work built on, rather than duplicated, efforts already underway. And we wanted to take full advantage of our strengths: the Foundation’s global reach, MetLife’s years of expertise and stability as one of the largest insurance companies in the world, and the support of thousands of MetLife associates eager to volunteer with the Foundation.

That work ultimately aims at ensuring that low-income people all over the world have financial services that are safe, affordable, convenient, and effectively designed to help them achieve their goals. Many of our larger grants have been underway for two or three years. They have generated valuable lessons which we have shared with the financial inclusion industry and which have shaped how we design new grants.

This year, we are highlighting the work of some of our partners who are building customers’ financial capability, exploring innovative approaches, and using insights from behavioral economics to understand and improve real-world financial behaviors.
Building financial capability

Financial capability means clients know how to manage their finances and have all the right tools to do so. It means they use safe, affordable, and effective financial services to achieve their goals.

UNITED KINGDOM
Fair Finance
The subprime financial sector—payday and car-title lenders, high-interest credit cards, furniture and appliance rental outlets—offers financially stressed people temporary solutions that seem to solve their immediate crisis but devastate their overall financial health. Fair Finance, an award-winning alternative lender, is a key partner in the United Kingdom providing personal and business loans to low-income individuals not typically served by mainstream finance. Along with affordable credit, Fair Finance emphasizes financial counseling to help clients make informed decisions to improve their financial health. MetLife Foundation supported Fair Finance’s operational upgrades, including a new enterprise-wide customer database, to strengthen the back-office infrastructure necessary to achieve a planned ten-fold expansion in outreach.

UNITED STATES
National Federation of Community Development Credit Unions
Member-owned credit unions have historically provided a lower-cost, customer-centric financial services alternative for working people. The member institutions of the National Federation of Community Development Credit Unions (The Federation) collectively serve more than 6 million predominantly low-income Americans. MetLife Foundation’s support to the Pathways to Financial Empowerment program is one of the cornerstones of our “edu-action” philosophy: financial counseling that stresses learning by doing. The success of Pathway’s first phase validated that philosophy as all targets were exceeded. In the pilot credit unions, clients developed financial plans, took up products to reduce their debt loads, and improved their credit scores. The second phase scale-up of Pathways will build on the pilot’s successes, supporting 10 more credit unions and, in the long term, reaching thousands of low-income clients.

GLOBAL
BFA (formerly Bankable Frontier Associates)
Well-run financial institutions make a point of asking their customers directly how they can serve them better. The five institutions in Bangladesh, Chile, Colombia, Mexico, and Vietnam with which MetLife Foundation grantee BFA is working are no exception. But like many financial institutions, the BFA partners also have vast stores of valuable information already in hand about customers’ potential needs and preferences in the form of raw data about their past transactions. Expert data analysts from BFA are helping these institutions unlock that value and better understand their customers’ financial needs by studying patterns in the products customers are currently using and how. These data-driven insights enable the institutions to offer the right product, or develop new products, new technology and distribution channels, that will benefit low-income customers and help build their financial capability.

BFA’s work gives each of the five institutions individually a solid foundation to continuously improve products and services to meet their clients’ needs. Collectively, the BFA partner institutions generate valuable multiple perspectives because they operate in different geographies, cultures, legal forms, and regulatory environments. Studying the data and customer behavior across such diverse institutions can yield potentially important insights for the financial inclusion community as a whole.

CHINA
Accion/The International Microfinance Management and Leadership Program
In partnership with the Chinese Association of Microfinance, MetLife Foundation grantee Accion launched the first comprehensive microfinance training and capacity-building initiative in China in 2016. The first class alone drew leaders from 13 microfinance institutions (MFIs) which collectively represent 900,000 clients and 33,000 additional staff. The program combined classroom-based education with experiential learning to build participants’ leadership and management skills and develop sound technical knowledge in business operations and human resources. The training program ensured that Chinese MFIs would be able to serve low-income customers with a wide range of quality financial services.
Using Technology and Innovation for Impact

To deliver safe, affordable, and convenient financial services at scale, the financial inclusion community must take full advantage of new technologies. There is a need to reimagine product design beyond "one size fits all" and experiment with new business models.

UNITED STATES

Achieving the Dream/Working Students Success Network
Community colleges have historically been an important element of low-income Americans’ upward mobility. Working adults, recent immigrants, and parents rely on community colleges for education beyond high school, but financial pressures keep many from completing their degrees. MetLife Foundation supports “Achieving the Dream,” which is bringing innovative financial products and approaches into community colleges. Technology, integration of services into job training, financial coaching, and tailored financial products are increasing students’ financial health and the likelihood that they will complete their studies. Along with Achieving the Dream, we partner with large individual community colleges (for example, LaGuardia Community College in New York), with other networks such as the Center for Community College Student Engagement, and with researchers who focus on those students’ needs.

GLOBAL

Verb/Inclusion Plus
Nothing inspires innovation like competition. So MetLife Foundation teamed up with Verb, a company that specializes in social innovation, to develop a competition that brings together entrepreneurs and MetLife associates across four regions. The program launched in Ireland, China, and India, with more than 250 social ventures competing and 240 MetLife associates volunteering nearly 1,000 collective hours as mentors and judges.

The entries were diverse, ranging from artificial intelligence chatbots, to insuretech startups, and even programs leveraging satellite technology. In year one, Inclusion Plus awarded grants to 10 organizations pioneering new approaches to financial inclusion. Ireland’s winner, GRID Finance, is a small business capital platform where people can lend as little as five euro to local businesses, earning a return on their investment. China’s winner, Yibao Plan, partners with insurance companies to provide tailored insurance products to nonprofit associates and low-income individuals. In year two, final winners will be announced in India, and Inclusion Plus will move to Mexico and Egypt, eventually expanding to 10 countries and providing more than USD 600,000 in grants over the life of the initiative.

BANGLADESH and VIETNAM

MicroSave
Digital financial services hold the key to moving mass-market financial services beyond “one size fits all” and to improving low-income customers’ financial health. MetLife Foundation grantee MicroSave is a world leader in digital financial services and is supporting the digital transformation of two leading financial institutions, IDF (Bangladesh) and Co-Op Bank (Vietnam). MicroSave’s support includes comprehensive strategic planning, developing new products, and deploying the right digital platforms. Over the two-year course of the project, more than 140,000 customers will begin transacting digitally. At scale, the institutions will be able to serve two million customers with the financial services they need to navigate life’s opportunities and challenges.

BANGLADESH

Swisscontact
The ready-made garment (RMG) industry is a major part of Bangladesh’s economy, employing more than four million workers, many of them young rural women for whom sending part of their wages back home is a major priority. Swisscontact, in partnership with the Bangladesh Central Bank, is working with two commercial banks to help them develop and leverage the right technology, distribution, and suite of financial products for a large number of RMG workers who are currently without financial services.
Leveraging Behavioral Economics to Drive Action

Only by understanding why clients make the decisions they do can the financial inclusion community encourage healthier financial behaviors and design products and services that support healthier choices. These grants are leveraging the power of behavioral economics to drive change.

UNITED STATES

Commonwealth (formerly D2D Fund)

Savings is the foundation of financial security and opportunity, but for many working families it can be hard to set money aside. Indeed, nearly half of Americans do not have enough savings to manage a USD 400 emergency. To inspire working Americans to save more, Commonwealth has introduced the first national “prize-linked savings” offering via a partnership with leading providers of prepaid cards, a preferred financial tool for millions of people. Commonwealth is seeing early success. In one project, a prepaid card partner’s offer of cash prizes for saving resulted in a 130 percent spike in usage, with users saving an average of 36 percent more in the first quarter of use.

UNITED STATES

Common Cents Lab at Duke University

Social scientists call the gap between what people know they should do and what they actually do the “intention-action” gap. Bridging that gap is important for financial health because financially self-defeating behaviors can have serious consequences. Common Cents Lab is a three-year initiative aimed at using behavioral economic insights to test innovations that can help low-income Americans make better financial decisions. The Lab, based out of Durham, North Carolina and San Francisco, California, studies solutions that can bridge the intention-action gap by understanding the complex drivers of financial behavior.

MEXICO and CHILE

ideas42

With support from MetLife Foundation, ideas42 is partnering with financial institutions to analyze the behavioral factors that might increase uptake of a broad range of products and services intended to improve financial health generally, including retirement planning, across the region. Insufficient retirement savings is a global problem. In Latin America, ideas42 discovered that people can’t visualize what their lives will look like after they stop working, that they are rarely prompted to think about their retirement, and that they prioritize short-term over long-term goals. In response, ideas42 designed a range of tactics, from automatic bank account deductions to individualized goal-setting exercises and public awareness campaigns.

In Latin America, ideas42 discovered that people can’t visualize what their lives will look like after they stop working, that they are rarely prompted to think about their retirement, and that they prioritize short-term over long-term goals.
Mapping Our Financial Inclusion Footprint
2013-2016

MetLife Foundation’s global footprint positions the Foundation to make meaningful contributions around the world to advance financial inclusion. At the same time, we remain committed to engaging in the issues that matter most to the communities where MetLife associates live and work. MetLife volunteers work with a wide range of Foundation partners—leading financial institutions, nonprofits, technical assistance providers, academics, and other social enterprises—all of whom are making an impact all over the world.

United States
57 Financial Inclusion Partners
USD 45,822,114 Total commitments to date

Latin America
32 Financial Inclusion Partners
USD 24,664,224 Total commitments to date

Asia
48 Financial Inclusion Partners
USD 34,172,026 Total commitments to date

EMEA
Europe, Middle East, Africa
20 Financial Inclusion Partners
USD 12,414,985 Total commitments to date

*Figures include USD 6,069,351 and 13 partners that contribute to multi-country initiatives.
### MetLife Foundation — 2016 ANNUAL REPORT

#### Financial Inclusion

<table>
<thead>
<tr>
<th>Organization</th>
<th>Grant Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>MetLife Foundation — Center for Financial Services Innovation (CFSI)</td>
<td>$580,000</td>
</tr>
<tr>
<td>Advisors</td>
<td>$250,000</td>
</tr>
<tr>
<td>European Microfinance Network via Rockefeller Philanthropy Advisors</td>
<td>$175,000</td>
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<tr>
<td>Bedford Stuyvesant Restoration Corporation</td>
<td>$250,000</td>
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<tr>
<td>The潮流</td>
<td>$300,000</td>
</tr>
<tr>
<td>United Way Hungary via Rockefeller Philanthropy Advisors</td>
<td>$41,200</td>
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#### Other Grant-Making

<table>
<thead>
<tr>
<th>Organization</th>
<th>Grant Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>MetLife Volunteer Projects Total*</td>
<td>$3,033,075</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$9,370,869</td>
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#### Insights

<table>
<thead>
<tr>
<th>Organization</th>
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</tr>
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<tbody>
<tr>
<td>Charitable Trust</td>
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<td>Community Loan Fund of New Jersey</td>
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<tr>
<td>American Red Cross</td>
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<tr>
<td>Aeris Insight</td>
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<td>PFLAG</td>
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<td>Germany Women's Network</td>
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<tr>
<td>Habitat for Humanity International</td>
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<tr>
<td>Kiva Microloans</td>
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<tr>
<td>MicroSave via Rockefeller Philanthropy Advisors</td>
<td>$1,046,000</td>
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<td>National Federation of Community Development Credit Unions</td>
<td>$500,000</td>
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<td>Opportunity International</td>
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<td>NFP</td>
<td>$105,000</td>
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<tr>
<td>UNICEF</td>
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<tr>
<td>VHCare (Village Capital)</td>
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<td>Women's World Banking</td>
<td>$423,496</td>
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<tr>
<td>Grants $10,000 and under</td>
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<tr>
<td>Services Total</td>
<td>$16,089,000</td>
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#### Other Grant-Making

<table>
<thead>
<tr>
<th>Organization</th>
<th>Grant Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>$3,533,075</td>
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</table>

#### Arts & Culture

<table>
<thead>
<tr>
<th>Organization</th>
<th>Grant Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Museum of Natural History</td>
<td>$100,000</td>
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<tr>
<td>Arts Education Foundation</td>
<td>$75,000</td>
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<tr>
<td>Arts Education Foundation — New York City</td>
<td>$75,000</td>
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<tr>
<td>National Endowment for the Arts</td>
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</tr>
<tr>
<td>National Endowment for the Arts</td>
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<tr>
<td>National Endowment for the Arts</td>
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<tr>
<td><strong>Total</strong></td>
<td>$3,533,075</td>
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</table>

#### Youth/Education

<table>
<thead>
<tr>
<th>Organization</th>
<th>Grant Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boys &amp; Girls Clubs of America</td>
<td>$160,000</td>
</tr>
<tr>
<td>Center for the Collaborative Classroom via Einhorn Family Charitable Trust</td>
<td>$25,000</td>
</tr>
<tr>
<td>Citizens Committee for Children of New York</td>
<td>$500,000</td>
</tr>
<tr>
<td>Education Foundation via Rockefeller Philanthropy Advisors</td>
<td>$100,000</td>
</tr>
<tr>
<td>Federation of the New York State Bar Association</td>
<td>$100,000</td>
</tr>
<tr>
<td>Global Leadership Foundation</td>
<td>$100,000</td>
</tr>
<tr>
<td>Harvard Educational Development Center</td>
<td>$100,000</td>
</tr>
<tr>
<td>Harvard Educational Development Center</td>
<td>$1,480,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$4,303,038</td>
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</table>

*All figures in US dollars
Sharing What We Learn

The lessons that MetLife Foundation and our grantees learn are shared continuously to improve our work and to advance the knowledge of the global financial inclusion industry. With our partners we prepare white papers, publish articles, sponsor and appear at conferences. MetLife Foundation also runs learning workshops for our grantees. Together they share their experiences, develop common metrics, compare key performance indicators, and adjust their programming to serve their clients better. Some of our grants have knowledge sharing as its own goal.

Initially we were an unimaginably poor community. After forming the group, we women have prospered immensely.

Nasira Gazi, Trickle Up client

The families with whom we work are the true heroes and heroines of the Trickle Up story. We are catalysts to connect the poorest and most vulnerable to vital resources—formal financial services, education, health care, and basic services—and to prepare them to participate in community decision-making.

Bill Abrams
President, Trickle Up

Pro Mujer’s customers are dynamic women determined to grow their businesses and build better lives for their families and communities. Pro Mujer is committed to evolving with them, delivering the wraparound financial, health, and education services that will help our customers continue to succeed.

Leila Freedman
Senior Director of Program Delivery, Pro Mujer

Inclusion Plus demonstrates the transformative power of pairing associates who want to share their skills with promising entrepreneurs and fintech organizations. By participating in Inclusion Plus together, associates and entrepreneurs directly impact the lives of low-income people, giving them better tools to achieve their financial goals and ultimately improve their futures.

Suzi Sosa
Chief Executive Officer, Verb

Community college students’ lives are complex—they work, care for dependents, go to school, and must carefully budget both their time and their money to succeed academically and outside of school. Colleges have a key role in building students’ financial capability, and CCCSE provides institutions with information and resources they need to help their students achieve their dreams.

Evelyn N. Waiwaiole, Ph.D
Executive Director, Center for Community College Student Engagement

WSJ. Custom Studios/ Multipliers of Prosperity

Multipliers of Prosperity is an award-winning thought leadership platform that features stories from MetLife Foundation’s grantees. It includes videos, infographics, and other content on the work of financial inclusion. This unique resource, developed in partnership with WSJ. Custom Studios, helps share best practices, insights, and information about financial inclusion issues. It is the Foundation’s contribution to sharing knowledge and raising awareness of financial inclusion around the world.

17 Triggers/Innovation Circuit

Together with 17 Triggers and MetLife’s innovation center—LumenLab—MetLife Foundation held the Innovation Circuit workshop in Singapore. Twenty-three participants representing 17 financial inclusion institutions (all of them Foundation grantees) from seven countries across Asia came together to learn, share, and influence the future of innovation and digital in financial inclusion with the potential to impact millions of low-income people. This workshop, like others funded by MetLife Foundation, combined knowledge sharing with hands-on practical application of processes and products that will help us accelerate financial inclusion not only in Asia but around the world.

UNITED STATES

Aspen Institute/EPIC (Expanding Prosperity Impact Collaborative)

MetLife Foundation supports the Aspen Institute’s financial security work with EPIC, an effort to examine economic forces that significantly impact the financial security of millions of Americans. Each year, EPIC targets one important consumer finance issue, convening academics, policy makers and practitioners in cross-sector research, learning, and knowledge-sharing to find solutions.
MetLife Foundation’s financial inclusion grant-making is organized into three broad categories:

**Knowledge.** Grants aimed at increasing low-income people’s capability to make sound financial decisions.

**Services.** Grants aimed at ensuring that low-income clients are served by strong institutions that meet their needs.

**Insights.** Grants designed to share lessons learned and build the knowledge of the global financial inclusion community.

For more information on MetLife Foundation see our website at www.metlife.org
Where next?

From digital transformation in Asia, to supporting financial technology startups in the Europe/Middle East/Africa region, to leveraging behavioral economics in the U.S. and Latin America, we look forward to building on these successes. We are committed to expanding financial inclusion to even more of the world’s unserved and underserved people, and to sharing what we learn along the way.
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