

Glossary

BeWell: A global physical, mental/emotional, financial and social well-being program to convey a message of support and empathy for our colleagues through leadership engagement and outreach, virtual programs and the provision of relevant resources and tools.

Building Research Establishment Environmental Assessment Method (BREEAM): Established in 1990, BREEAM is a global science-based suite of validation and certification systems for a sustainable built environment.

Carbon Neutrality: Carbon neutral, or carbon neutrality, means eliminating or offsetting all greenhouse gas (GHG) emissions across a company's operations. For MetLife, carbon neutrality efforts apply to global owned and leased offices, our global vehicle fleet (Scope 1 and 2 emissions) and employee business travel (Scope 3 Category 6).

Carbon Offset: A tool for claiming "rights" to carbon emissions reductions generated somewhere else in the world through the buying and selling of certificates representing a specific volume of emissions. To offset the GHG emissions that we cannot reduce in the short term, MetLife supports a diverse portfolio of third-party-certified emissions-reduction and renewable energy generation projects in certain markets where we operate. MetLife seeks out and supports projects that empower local economies and align with the United Nations Sustainable Development Goals (SDGs).

Diverse Business Partner: A business that is majority owned, operated and controlled by ethnic minorities; women; lesbian, gay, bisexual, transgender, queer and other (LGBTQ+) individuals; people with disabilities or veterans, as well as federally recognized small businesses.

Diverse Business Partner Spend: Payments made to third-party suppliers that qualify as Diverse Business Partners, according to their diversity status at the respective year end, in exchange for goods and services that are commercially feasible for negotiation and are within Global Procurement's scope according to its policy.

Diverse Supplier: A business that is at least 51% owned, operated and financially controlled by one or more of the following:

- Ethnic Minority Business Enterprises (MBE) certified by the National Minority Supplier Development Council (NMSDC);
- Women Business Enterprises (WBE) certified by the Women's Business Enterprise National Council (WBENC);
- Veteran Business Enterprises (VBE) and Service-Disabled Veteran Business Enterprises (SDVBE) certified by the National Veteran Business Development Council (NVBDC);
- Disability-Owned Business Enterprises (DOBE) certified by Disability:IN;
- LGBT Business Enterprises certified by the National LGBT Chamber of Commerce (NGLCC); and
- Small businesses as defined by the Small Business Administration (SBA) of the federal government.

Diversity: Leveraging our unique attributes and perspectives.

EMEA: Europe, Middle East and African countries.

Energy Savings Performance Contracts (ESPCs): Debt financings under which the U.S. government, military or a government agency contracts with a service provider to install equipment. The high-efficiency equipment comprises lighting, windows, heating/cooling equipment, plumbing fixtures or similar capital improvements. Once installed, the equipment generates cost savings versus the equipment replaced. The service provider raises debt capital to fund the capital expenditures, and the debt service is paid for by the contracting government entity in the form of lower operating costs.

ENERGY STAR: U.S. Environmental Protection Agency backed program established to reduce GHG emissions and other pollutants caused by the inefficient use of energy through cost-saving energy-efficiency solutions that protect the climate, improve air quality and protect public health.

Engagement (for investments): Interactions between the investor and current or potential investees on environmental, social and governance (ESG) issues. Engagement provides MetLife Investment Management, LLC and certain of its affiliates (MIM) investment analysis with an opportunity to better understand material, relevant risk factors; be clear about our expectations; and improve data transparency.

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Environmental, Social and Governance (ESG): A common term used to describe factors of sustainability and corporate responsibility. For MetLife, sustainability is about managing business and responsibly delivering long-term value for our stakeholders and achieving a positive societal impact while improving the long-term sustainability of the company.

Equity: Providing opportunities for everyone to progress in their careers at all levels, no matter their background.

Financial Wellness: Describes the health of one's personal monetary affairs. There are many dimensions to financial health, including the amount of savings put away for retirement and amount of income spent on fixed or non-discretionary expenses.

Fitwel: Created as a joint initiative led by the U.S. Centers for Disease Control and Prevention together with the General Services Administration, Fitwel provides guidelines for designing, constructing and operating healthier buildings. The Center for Active Design is the operator of Fitwel and responsible for the third-party certification.

Gender Equality: The state in which access to rights or opportunities is unaffected by gender.

Global Real Estate Sustainability Benchmark (GRESB): GRESB provides validated ESG performance data and peer benchmarks for investors and managers to improve business intelligence, industry engagement and decision-making.

Green Bonds: Fixed income financial instruments used to fund projects that have positive environmental and/or climate benefits. Responsible investments include Bloomberg labeled green bonds.

Greenhouse Gas Emissions (or Carbon Emissions): A GHG is any gas that has the property of absorbing infrared radiation (net heat energy) emitted from Earth's surface and reradiating it back to Earth's surface. Carbon dioxide (CO₂), methane and water vapor are examples of GHG gases. MetLife reports GHG gases in CO₂ equivalents (CO₂e). This is why sometimes "carbon emissions" is used as shorthand for describing GHG emissions.

Green Investments: MIM currently defines green investments to include 1) LEED, ENERGY STAR, BREEAM, NGBS, Fitwel certified real estate equity investments; 2) commercial mortgage loans secured by LEED and/or ENERGY STAR-certified real estate; 3) renewable energy projects, including wind and solar; 4) ESPCs; 5) public and private corporate green bonds and loans; 6) Property Assessed Clean Energy (PACE) residential and commercial loans; and 7) sustainable agricultural loans.

IFRS Sustainability Alliance SASB Materiality Matrix: The Sustainable Accounting Standards Board (SASB) materiality matrix, now part of the International Financial Reporting Standards Sustainability Alliance, identifies the sustainability-related risks and opportunities that are most relevant to investor decision-making, including those that are most likely to affect cash flows, access to finance and cost of capital, by industry.

Impact Investments: Investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return (Global Impact Investment Network definition). This activity includes both MetLife's General Account and a smaller volume of MetLife Foundation assets.

Inclusion: Ensuring that through our interactions, everyone is fully respected, recognized and valued.

Infrastructure: Includes infrastructure investments supporting airports, ports, transportation (roads, rail and bridges), transmission, energy management systems, social infrastructure (stadiums, housing and courthouses), data centers, metering, telecom and water.

International Labour Organization's Declaration on Fundamental Principles and Rights at Work: Adopted in 1998, the Declaration commits Member States to respect and promote principles and rights in four categories, whether or not they have ratified the relevant Conventions. These categories are the following: freedom of association and the effective recognition of the right to collective bargaining, the elimination of forced or compulsory labor, the abolition of child labor and the elimination of discrimination in respect of employment and occupation.

LatAm: A MetLife market acronym for Latin American countries.

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Leadership in Energy and Environmental Design (LEED): An internationally recognized green building certification system, providing third-party verification that a building or community was designed and built using strategies aimed at improving performance across energy savings, water efficiency, CO2 emissions reduction, improved indoor environmental quality, stewardship of resources and sensitivity to their impacts.

MetLife Investment Management, LLC and certain of its affiliates (MIM) is the institutional investment management business of MetLife, Inc. MIM provides public fixed income, private capital and real estate investment solutions to institutional investors worldwide.

MetLife's Purpose Awards: An annual exclusive, selection-based award recognizing colleagues who went to extraordinary efforts to bring our purpose to life.

MetZero™ Carbon Cascade™: Proprietary MIM approach focused on reducing greenhouse gas emissions while adding on-site renewable energy and off-site green power procurement to MIM-managed and controlled real estate equity investments.

Municipal Bonds: Bonds or notes issued by or on behalf of U.S. states or territories or their political subdivisions, or agencies or instrumentalities of states or territories, their political subdivisions or municipal corporations. Includes taxable and tax-exempt debt securities issued by entities exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code.

MyVoice: MetLife's global employee survey that gives employees the opportunity to be heard more frequently on topics that are relevant to our culture and business and measures the behaviors that drive our business strategy.

National Green Building Standard (NGBS): An American National Standards Institute-approved, third-party, residential building standard that provides a flexible and affordable way to verify green construction practices in single-family, multi-family, remodeling and land development projects.

Net Zero: The balance between the amount of GHGs produced and the amount removed from the atmosphere. While sometimes used synonymously with "carbon neutral," a growing consensus behind "net zero" is to reduce identified emissions in value chains and economies to zero as quickly as possible through technical, policy and behavioral change. The transition to a net zero emissions future focuses on reducing emissions as much as possible, without the purchase of offsets (see "carbon offset") that balance GHGs emitted elsewhere in the world through activities such as burning fossil fuels.

Our Green Impact: MetLife's signature environmental employee engagement program that aims to promote environmental awareness across the global enterprise and empowers employees to reduce environmental impact at work, at home and in our communities.

Paris Agreement: A legally binding international treaty on climate change. The agreement's goal for participating countries is to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels.

Pay Equity: Providing equal pay for equal work.

Portfolio Energy Intensity: The total amount of energy used across our investment portfolio per million dollars.

Principles of Responsible Investment (PRI): PRI provides a voluntary and aspirational set of six investment principles that offer a menu of possible actions for incorporating ESG issues into investment practice. The Principles were developed by investors, for investors. In implementing them, signatories contribute to developing a more sustainable global financial system.

Public Corporate Debt: For the purposes of MetLife's Net Zero Commitment, the term "public corporate debt" refers to public corporates, emerging market debt and high-yield asset classes within MetLife's GA investment portfolio, managed by MIM.

Pro Bono Services: Professional work undertaken voluntarily and without payment.

Real Estate Equity: Real estate equity refers to assets that are owned by MetLife or by MetLife with joint venture partners. These real estate assets are managed by MIM and include several asset classes, including office buildings, multifamily buildings, industrial, retail, hotels, single-family rentals and other property types. Many, but not all, of these real estate assets have a green building certification such as LEED, BREEAM, ENERGY STAR or Fitwel.

Renewable Energy: Includes solar, wind, hydropower, biomass, geothermal resources and hydrogen derived from renewable resources.

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Renewable Energy PACE Commercial Loans:

Property Assessed Clean Energy programs are an innovative mechanism for financing energy efficiency and renewable energy improvements on private property. They allow a property owner to finance the up-front cost of energy or other eligible improvements on a property and then pay the costs back over time through a voluntary assessment. The unique characteristic of PACE assessments is that the assessment is attached to the property rather than an individual.

Responsible Investments: Investments that intend to achieve both a market financial return and promote social and/or environmental benefits. Responsible investments at MetLife include infrastructure, green, municipal bonds, affordable housing and impact investments.

Stewardship (for investments): The approach MIM takes to actively engage with companies and other entities. Our stewardship efforts seek to raise awareness and improve data transparency and reporting.

Sustainable Agricultural Loans: Investments that enhance ecosystem protection or restoration including:

- Agriculture and fisheries assets with recognized third-party sustainability certifications such as USDA Organic, EU Organic, Marine Stewardship Council (MSC) or Rainforest Alliance;

- Forestry assets with recognized third-party sustainability certifications such as Forest Stewardship Council (FSC) or Programme for the Endorsement of Forest Certification (PEFC), and the Sustainable Forestry Initiative (SFI), which is affiliated with PEFC; and
- Climate-smart farm inputs such as biological crop protection or drip irrigation; preservation or restoration of natural landscapes.

Sustainable Financing Framework: Guidance for future issuances of green, social and sustainable bonds, term loans, preferred stock, subordinated notes and funding agreements (each a “MetLife Sustainable Financing”) by MetLife, Inc. and its subsidiaries, including Metropolitan Life Insurance Company and Metropolitan Tower Life Insurance Company.

Sustainable Investing: The broad investment approach MIM takes that seeks to deliver competitive, risk-adjusted market returns by incorporating financially material ESG assessments and stewardship into our investment process. Our sustainable investment approach leverages both our traditional investing and sustainability expertise.

Target Gender Equality: A gender equality accelerator program for participating companies of the United Nations Global Compact (UNGC).

UNGC: A voluntary initiative based on CEO commitments to implement universal sustainability principles to take steps to support UN goals.

Unit-Linked Insurance Plan: A multi-faceted product that offers both insurance coverage and investment exposure in equities or bonds.

United Nations Sustainable Development Goals (SDGs): The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs, which are an urgent call for action by all countries—developed and developing—in a global partnership.

United Nations Women’s Empowerment Principles: A set of principles offering guidance to business on how to promote gender equality and women’s empowerment in the workplace, marketplace and community.

U.S. Department of Energy’s Better Building Challenge: An initiative to encourage institutions to improve building energy efficiency by at least 20% over 10 years and share their strategies and results.