Risk Factors Comparison 2024-02-16 to 2023-02-23 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text Moved Text Section

Any or each of the events described below may (or may continue to) adversely affect the global economy ~~,~~ **or** global financial markets, **or** our reputation, ~~our~~ regulatory, customer, or other relationships, ~~our~~ results of operations, ~~our~~ liquidity or cash flows, ~~our~~ statutory capital position, ~~our~~ ability to meet our obligations, ~~our~~ credit and financial strength ratings, ~~our~~ financial condition, or the market price of our common stock. The effects may vary depending on timing, product, market, region or segment. Many of these risks are interrelated and could occur under similar business and economic conditions, and the occurrence of any of them may cause others to emerge or worsen. Such combinations could materially increase the severity of the cumulative or separate impact of these risks. These risk factors do not describe all potential risks that could affect MetLife. You should carefully consider the risk factors together with other information contained in this Annual Report on Form 10- K, including " Business, " " Management' s Discussion and Analysis of Financial Condition and Results of Operations " and the consolidated financial statements and accompanying notes in " Financial Statements and Supplementary Data, " and other reports and materials MetLife submits to the SEC. Economic Environment and Capital Markets Risks We May Face Difficult Economic Conditions Market factors, including interest rates, credit spreads, **declining** equity ~~prices~~ **or debt markets** , derivative prices and availability, real estate conditions, foreign currency exchange rates, consumer and government spending, government default or spending reductions to avoid default, business investment, climate change, public health risks, volatility, disruptions and strength of the capital markets, deflation and inflation, and government actions in response thereto, may inhibit revenue growth, reduce investment opportunities and result in **reduced** investment **returns or** losses, derivative losses **, reductions in fees generated** , changes in insurance liabilities, impairments, increased valuation allowances, increases in reserves, reduced net investment income and changes in unrealized gain or loss positions. Higher unemployment, changes to inflation, lower family income, lower corporate earnings, greater government regulation, lower business investment, lower consumer spending, elevated incidence of claims, adverse utilization of benefits relative to our best estimate expectations, lapses or surrenders of policies, reduced demand for our products, and deferred or canceled payments of insurance premiums may negatively affect our earnings and capitalization ~~. Declining equity or debt markets may decrease the account value of our products, reducing certain fees generated by these products, which may increase the level of insurance liabilities we carry and require us to increase funding to our captive reinsurers. Additionally, higher or lower interest rates may impact the value and / or reduce returns in fixed income investments. Public Health Risks Pandemics and other public health issues, and governmental, business, and consumer reactions to them, have affected and may continue to affect economic conditions. They have and may continue to cause illnesses and deaths, changes in consumer or business confidence, behavior and investment and business activity, changes to interest rates and other market risk factors, and governmental or other restrictions on economic activity for prolonged periods. Any of these issues may cause or exacerbate any of the difficult economic conditions we describe in these risk factors~~ . Interest Rate Risks Some of our products and investments expose us to interest rate risks, including changes in the difference between short- term and long- term interest rates, which may reduce or eliminate our investment spread and net income. Interest rate increases may harm our profitability. During rapidly increasing interest rates, we may not be able to replace the investments in our general account with higher yielding investments needed to fund the higher crediting rates required to stay competitive. This could result in a lower spread, lower profitability, decreased sales, and greater loss of existing contracts and related assets. In addition, policy loans, surrenders and withdrawals may increase as policyholders seek investments with higher perceived returns. This may result in cash outflows requiring the sale of investments on less favorable terms, resulting in investment losses and reductions in net income. Reductions in net income may in turn harm our credit instrument covenants and rating agency assessment of our financial condition. Interest rate increases may harm the value of our investment portfolio, for example, by decreasing the estimated fair value of fixed income securities, and may increase our daily settlement payments on interest rate futures and cleared swaps, resulting in increased cash outflows and liquidity needs. Furthermore, if interest rates rise, our unrealized gains on fixed income securities may decrease and our unrealized losses may increase. We would recognize the accumulated change in estimated fair value of these fixed income securities in net income ~~when~~ **upon a sale, an intent to sell, a determination it is more likely than not** we ~~realize a gain~~ **will be required to sell,** or **if** ~~loss upon the sale of the security or we determine that~~ the decline in estimated fair value is due to a credit loss. During inflationary periods with rising interest rates, the value of fixed income investments falls **,** which could increase realized and unrealized losses, resulting in additional deferred tax assets that may not be realizable. Finally, an increase in interest rates may decrease fee income associated with a decline in the value of variable annuity account balances invested in fixed income funds . The rapidly rising interest rate environment...... at fair value through other comprehensive income . Low interest rates and risk asset returns may reduce income from our investment portfolio, increase our liabilities for claims and future benefits, and increase the cost of risk transfer measures, decreasing our profit margins. During certain market events, such as a global credit crisis, a market downturn, or sustained low market returns, we may incur significant losses due to, among other reasons, losses incurred in our general account and the impact of guarantees, including increases in liabilities, capital maintenance obligations and collateral requirements. In addition, during periods of sustained lower interest rates, we may need to reinvest proceeds from certain investments at lower yields, reducing our investment spread. Moreover, borrowers may prepay or redeem the fixed income securities and loans in our investment portfolio with greater frequency. Although we may be able to lower interest crediting rates to help offset decreases in spreads, our ability to lower these rates is limited to our products that have adjustable interest crediting rates, which could be limited by competition or contractually guaranteed minimum rates and may not match the timing or magnitude of changes in asset yields. As a result, our investment spread may decrease or become negative. Reductions in net income from these factors may in turn harm our credit instrument covenants or rating agency assessment of our financial condition. During periods of declining interest rates, life insurance and annuity products may be more attractive investments to consumers, resulting in increased premium payments on certain products, repayment of policy loans and increased persistency, while our new investments carry lower returns. A market interest rate decline could also reduce our return on investments that do not support particular policy obligations. During periods of sustained lower interest rates, we may need to increase our reserves. ~~or product sales.~~ The measures we take to mitigate the risks of investing in a changing interest rate environment,such as mitigating our fixed income investments relative to our interest rate sensitive liabilities,may not be sufficient.For some of our liability portfolios,we may not be able to invest assets at the full liability duration,thereby creating some asset / liability mismatch.In addition,asymmetrical and non- economic accounting may cause material changes to our net income and stockholders' equity because we record our non- qualified derivatives at fair value through earnings,while certain hedged items may follow an accrual- based accounting model or are recorded at fair value through **other comprehensive income.** Credit Spread Risks Changes in credit spreads may result in market price volatility and cash flow variability. Market price volatility **may result in defaults and a lack of pricing transparency, and** can make valuations of our securities difficult if trading becomes less frequent, which may require us to add to our reserves ~~. Market volatility may cause changes in credit spreads, defaults and a lack of pricing transparency~~ . An increase in credit spreads relative to U. S. Treasury benchmarks may increase our borrowing costs and decrease certain product fee income. A sustained decrease in credit spreads could reduce the yield on our future investments. The discount rate used to calculate liabilities for future policy benefits includes a component for market credit spreads. Changes in market credit spreads could result in volatility to liabilities for future policy benefits. Equity Risks Downturns and volatility in equity markets may harm our savings and investment products' revenues and investment returns, where fee income is earned based upon the fair value of our managed assets. Our variable annuity **and life insurance** business is highly sensitive to equity markets, and a sustained weakness or stagnation in the equity markets may decrease these products' revenues and earnings. Furthermore, certain of our variable annuity **and life** products offer guaranteed benefits that increase our potential benefit exposure should equity markets decline or stagnate. Sustained declines in long- term equity returns or interest rates may harm the funding of our pension plans and other post- retirement benefit obligations. An increase in equity markets could increase settlement payments on equity futures and total rate of return swaps (" TRRs "), which may increase our cash outflows and liquidity needs. The timing of distributions from and valuations of our investments in leveraged buy- out funds, hedge **funds, real estate ventures, real estate** funds and other private equity funds depends on the performance of the underlying investments, distribution schedules, and the funds' need for cash. The amount of net investment income from these investments can vary substantially from period to period and significant volatility may harm our returns and net investment income. In addition, downturns or volatility in the equity markets may decrease the estimated fair value of our alternative investments and equity securities. Real Estate Risks Changes in leasable commercial space supply and demand **, lessee behaviors** , pandemics and other public health issues, creditworthiness of tenants and partners, capital markets volatility, interest rate fluctuations, commodity prices, farm incomes, housing and commercial property market conditions, and real estate investment supply and demand may adversely impact our investments in commercial, agricultural and residential mortgage loans, and real estate equity investments including joint ventures. Political, Obligor and Counterparty Risks Our general account investments in certain countries could be adversely affected by volatility resulting from local economic and political concerns, as well as volatility in specific sectors. Government entities may face budget deficits and other financial difficulties, which may harm the value of securities we hold issued by or under the auspices of such governments. In the U. S., **a** ~~one of the most serious threats~~ - **threat** facing the economy is the **continued** disagreement over the federal debt limit **and** ~~which, if not addressed in the~~ **other** ~~coming months,~~ **budget questions. Failure to resolve these issues in a timely manner** could ~~lead to~~ **result in a government shutdown, erratic reduction in government spending or** a default on **government** ~~the federal~~ debt, ~~adverse~~ **which could result in increased** market ~~impact~~ **volatility** and **reduced economic activity** ~~a recession this year~~ . The issuers or guarantors of fixed income securities and mortgage loans we own may default on principal and interest payments they owe us. Additionally, the change in value of underlying collateral within **instruments** ~~mortgage-~~ backed **by** ~~securities~~ **securitized** ~~, asset~~ **assets** ~~- backed securities (" ABS ") and collateralized loan obligations (" CLO ")~~ may result in a default on principal and interest payments, reducing our cash flows. The occurrence of a major economic downturn, acts of corporate malfeasance, widening credit spreads, or other adverse events may ~~reduce~~ **increase** the **default rate** ~~estimated fair value~~ of **the** ~~our portfolio of~~ fixed income securities and mortgage loans ~~and increase the default rate of the fixed income securities and mortgage loans~~ in our investment portfolio. Many of our transactions with counterparties ~~such as brokers and dealers, central clearinghouses, commercial banks, investment banks, hedge funds, investment funds, reinsurers and other financial institutions~~ expose us to the risk of counterparty default. Such credit risk may be exacerbated if we cannot realize on the collateral held by us in secured transactions or cannot liquidate such collateral at prices sufficient to recover the full amount of the loan or derivative exposure due to us. Furthermore, potential action by governments and regulatory bodies, ~~such as controlling investment, nationalization, conservatorship, receivership and other intervention,~~ or lack of action by governments and central banks, as well as deterioration in the banks' credit standing, could negatively impact these instruments, securities, transactions and investments or limit our ability to trade with them ~~. These may cause losses or impairments to the carrying value of our investments~~ . Our efforts to manage our total exposure to a single counterparty or limited number of counterparties within or among any of our investment, derivative, treasury, and reinsurance relationships, which we adjust from time to time, may not completely or adequately mitigate counterparty risks. Currency Exchange Rate Risks Fluctuations in foreign currency exchange rates against the U. S. dollar may adversely affect our non- U. S. dollar denominated investments, investments in non- U. S. subsidiaries, net income from non- U. S. operations and issuance of non- U. S. dollar denominated instruments. Fluctuations in foreign currency exchange rates may also make certain of our products less attractive to customers, which may increase levels of early policy terminations and decrease sales volume and our in- force business. Such negative effects may be exacerbated if international markets experience severe economic or financial disruptions or significant currency devaluations, if a foreign economy is determined to be " highly inflationary, " or if a country withdraws from the Euro zone. Fluctuations in foreign currency exchange rates may harm our operations, earnings or investments in the affected countries. We may be unable to mitigate the risk of such changes in exchange rates due to unhedged positions, asymmetrical and non- economic accounting resulting from derivative gains (losses) on non- qualifying hedges, the failure of hedges to effectively offset the impact of the foreign currency exchange rate fluctuation, or other factors. Fluctuations in currency exchange rates may adversely affect the translation of results into our U. S. dollar basis consolidated financial statements. Derivatives Risks If our counterparties, clearing brokers or central clearinghouses fail or refuse to honor their obligations under our derivatives agreements, our risks may not be fully hedged. A counterparty, clearing broker, or central clearinghouse may become insolvent or otherwise unable or unwilling to make payments or to return collateral under the terms of derivatives agreements, increasing our costs. If the net estimated fair value of a derivative to which we are a party declines, we may need to pledge additional collateral or make increased payments. In addition, we may face increased costs to the extent we replace counterparties who suffer financial difficulties. Furthermore, our derivatives valuations may change based on changes to our valuation methodology or errors in such valuation or valuation methodology. Terrorism and Security Risks The continued threat of terrorism, ongoing or potential military **conflict** and other actions, and heightened security measures may cause **economic uncertainty** ~~significant volatility in global financial markets~~ and result in loss of life, property damage, additional disruptions to commerce and reduced economic activity. The value of our investment portfolio may be adversely affected by declines in the credit and equity markets and reduced economic activity caused by such threats. Companies in which we maintain investments may suffer losses as a result of financial, commercial or economic disruptions, and such disruptions might affect the ability of those companies to pay interest or principal on their securities or mortgage loans. Terrorist or military actions also could disrupt our operations centers and result in higher than anticipated claims under our insurance policies. We May Not Meet Our Liquidity Needs, Access Capital, or May Face Significantly Increased Cost of Capital Due to Adverse Capital and Credit Market Conditions In cases of volatility, disruption, or other conditions in global financial markets, we may have to seek additional financing, the availability and cost of which could be adversely affected by market conditions, regulatory considerations, availability of credit to our industry generally, our credit ratings and credit capacity, reduced business activity, or investment losses, and the perception of our financial prospects. Our access to funds may be impaired if regulatory authorities or rating agencies take negative actions against us. We may not be able to successfully obtain additional financing we need on favorable terms or at all. We may be required to return significant amounts of cash collateral on short notice under securities lending or derivatives agreements or post collateral or make payments related to specified counterparty agreements. Our business and financial results may suffer without sufficient liquidity through impaired ability to pay claims, other operating expenses, interest on our debt and dividends on our capital stock, cash or collateral to our subsidiaries, maintain our securities lending, replace certain maturing liabilities, sustain our operations and investments, and repurchase our common stock. Capital and credit market volatility may limit our access to capital we need to operate, limiting our ability to raise capital, issue the types of securities we would prefer, timely replace maturing liabilities, satisfy regulatory requirements, and access capital to grow our business, any of which could decrease our profitability and significantly reduce our financial flexibility. We May Be Unable to Access Our Credit Facility, Reducing Our Liquidity and Leading to Downgrades in Our Credit and Financial Strength Ratings We may fail to comply with or fulfill all conditions under the unsecured revolving credit facility (the " Credit Facility ") MetLife, Inc. and MetLife Funding, Inc. ~~(" MetLife Funding ")~~ maintain. Lenders may fail to fund their lending commitments under the Credit Facility due to insolvency, illiquidity or other reasons. We May Lose Business Due to a Downgrade or a Potential Downgrade in Our Financial Strength or Credit Ratings Nationally Recognized Statistical Rating Organizations (" NRSROs ") and others may, at any time, downgrade our financial strength ratings or credit ratings, lower our ratings outlooks, increase the scope or frequency of their reviews, or increase capital or other requirements to maintain ratings. Such changes could reduce our product sales, reduce cash flows from funding agreements and other capital market products, and force us to change product pricing and increase our financing costs, policy surrenders or withdrawals, collateral requirements, risk of derivative terminations, cost of reinsurance, regulatory scrutiny, or various other factors. We May Not Find Available, Affordable or Adequate Reinsurance to Protect Us Against Losses Reinsurers may increase our reinsurance costs, or may decline to offer us reinsurance, due to policy changes related to ~~pandemics or other~~ public health issues ~~(such as the COVID- 19 pandemic)~~ , market conditions, or other factors. Our risk of loss may increase if we decrease the amount of our reinsurance. Any of these could harm our ability to write future business or result in the assumption of more risk with respect to the policies we issue. We **remain liable and** may incur costs **as the direct insurer on all risks we reinsure** as a result of a reinsurer' s insolvency, inability or unwillingness to make payments, or inability or unwillingness to maintain collateral **, which could have a material adverse impact on our business, results of operations or financial condition** . Our Statutory Life Insurance Reserve Financings Costs May Increase, and We May Find Limited Market Capacity for New Financings If MetLife' s ratings decline, market capacity is limited, or on other repricing occasions, our costs to finance statutory life insurance reserves may increase. If regulators disallow assets to back statutory reserves, we would not be able to take some or all related statutory reserve credit, which may harm the statutory capitalization of certain of our insurance subsidiaries. Regulatory and Legal Risks Changes in Laws or Regulation, or in Supervisory and Enforcement Policies, May Reduce Our Profitability, Limit Our Growth, or Otherwise Adversely Affect Us Insurance or other regulators may change licensing, permit, or approval requirements, or take other actions harmful to us. They may also take actions that harm our customers and independent sales intermediaries or their operations, which may affect our business relationships with them and their ability to purchase or distribute our products. Governments may change regulation of financial services, insurance, variable annuities and variable life insurance, securities, derivatives, pension, health care, accounting, cybersecurity, **artificial intelligence,** privacy and data protection, tort reform legislation, taxation, benefit plan investment advice and related fiduciary duties, antitrust as applied to the business of health insurance or otherwise, and other areas. Laws and regulations may also affect customers, sales intermediaries, or others. We or others may fail to comply with these requirements or suffer adverse regulatory examinations or audits. Regulators may also interpret rules differently from the way we have, or change interpretations of laws or rules, and legislators may change statutes. Any of these changes may harm our ability to continue to offer the products we do today or to introduce new products. We may incur costs to comply with laws and regulations and changes to these laws and regulations may increase our expenses and regulatory capital charges. Our failure to comply with our own policies or with regulatory requirements may harm our reputation or result in sanctions or legal claims. Laws, regulations or regulatory actions may limit or change the type, amount or structure of compensation or benefits we offer our employees or others, or may limit or ban the use of non- competition agreements, which may harm our ability to compete in recruiting and retaining key personnel. We may also fail to fulfill our fiduciary or other benefit- related obligations completely. **Compliance with** ~~Solvency~~ **solvency** standards ~~compliance~~ **or financial condition regulations** may increase our capital and reserve requirements, risk management costs, and reporting costs **. See " Business — Regulation — State Insurance Regulation — Surplus and Capital " for a summary of the NAIC' s developments related to financial condition regulation** . We may be subject to enhanced capital standards, supervision and additional requirements, such as group capital standards or insurer capital standards. MetLife, Inc. could be compelled to undergo FDIC liquidation if it becomes insolvent or is in danger of defaulting on its obligations, imposing greater losses on shareholders and unsecured creditors than under the Bankruptcy Code. This could also apply to financial institutions whose debt we hold and could harm the value of our holdings. We could be assessed charges in connection with a financial company liquidation. Our ability to react to rapidly changing economic conditions and the dynamic, competitive markets may be impaired if our product designs do not allow frequent and contemporaneous revisions of key pricing elements, or if we are unable to work collaboratively with regulators. Changes in regulatory approval processes, rules and other dynamics in the regulatory process could harm our ability to react to such changing conditions. Rules on defined benefit pension plan funding may reduce the likelihood or delay corporate plan sponsors in terminating their plans or engaging in transactions to partially or fully transfer pension obligations. This could affect the mix of our pension risk transfers and increase non- guaranteed funding products ~~. Regulators have reacted and may continue to react to pandemics and other public health issues (such as the COVID- 19 pandemic). They may require " no lapse " in policy coverage regardless of whether we receive premiums or are able to assess fees against policyholder account balances. They may extend insurance coverage beyond our policy or contract terms and may impose premium grace periods, suspend cancellations, lower or freeze premium rates, allow non- contractual withdrawals, and extend proof of loss deadlines, including retroactively, exposing us to risks and costs we are unable to foresee or underwrite. We may also adopt customer accommodations, such as waiving exclusions, forgoing rate increases or implementing lower rate increases than we would otherwise, relaxing claim documentation requirements, relaxing eligibility criteria, granting premium credits, or other accommodations for customers experiencing economic or other distress. Regulators may restrict our underwriting on public policy or other grounds, excluding factors such as exposure, quarantine, infection, and association with others suffering public health- related effects~~ . Governmental bodies may delay acting on or implementing regulatory or policy changes due to pandemics or other public health issues, or because they are attending to pandemic or public health issues rather than to other topics. This may increase uncertainty, prolong deleterious regulations and policies, delay or prevent beneficial regulatory or policy changes, and create the potential for later, more rapid changes to which we find it more difficult to adjust. Our New York insurance regulator' s annual ~~SCL~~ **Special Considerations Letter** for year- end asset adequacy testing may impose unforeseen assumptions or requirements that require us to increase or release reserves, which could affect our statutory capital and surplus. Governments or Others May Increase our Taxes by Changing or Re- Interpreting Tax Laws, Making Some of Our Products Less Attractive to Consumers Changes in tax laws or interpretations of such laws could increase our corporate taxes, reduce our earnings, and adjust the value of our deferred tax assets and liabilities. Changes may increase our effective tax rate or have implications that make our products less attractive to consumers. Tax authorities may enact laws, change regulations to increase existing taxes, or add new types of taxes, and authorities who have not imposed taxes in the past may impose taxes. Customers shifting away from employee benefits, life insurance and annuity contracts, or other tax- preferred products would reduce our income from these products and our asset base, reducing our earnings and potentially affecting the value of our deferred tax assets. We May Face Increasing Litigation and Regulatory Investigations Legal or regulatory actions, inquiries or investigations, **for MetLife or our competitors,** whether ongoing or yet to come, could harm our reputation, ability to attract or retain customers or employees, **and** business, financial condition, or results of operations, even if we **or our competitors,** ultimately prevail. Regulators or private parties may bring class actions, individual suits, or investigations seeking large recoveries and alleging wrongs relating to sales or underwriting practices, claims payments and procedures, failure to adequately or appropriately supervise, inappropriate compensation contrary to licensing requirements, product design, disclosure, administration, investments, denial or delay of benefits, pandemic- or other public health- related practices ~~(such as those related to the COVID- 19 pandemic)~~ , **privacy and data protection, or** data security incidents, discriminatory or inequitable practices, and breaches of fiduciary or other duties. We may be unable to anticipate the outcome of a litigation and the amount or range of loss because we do not know how adversaries, fact finders, courts, regulators, or others will evaluate evidence, the law, or accounting principles, and whether they will do so differently than we have. ~~We May Face Changes to Interest Rates, the Value of our Financial Instruments, the Competitiveness of our Products, the Performance of our Investments, and our Relationships Due to LIBOR' s Discontinuation and the Uncertainties in Our Transition to Alternative Reference Rates The FCA, the U. K. regulator of LIBOR, and the ICE Benchmark Administration, the administrator of LIBOR, have announced the publication cessation dates for all U. S. Dollar and non- U. S. Dollar LIBOR settings. Most settings ceased at the end of December 2021 and the remaining U. S. Dollar settings (overnight and one-, three-, six- and 12- month U. S. Dollar LIBOR) will cease at the end of June 2023. The FCA has proposed that the ICE Benchmark Administration continue publication of one-, three- and six- month U. S. Dollar~~

~~LIBOR settings on a " synthetic, " or non- representative, basis through the end of September, 2024. We continue to actively transition to the alternative reference rates. Differences between LIBOR and the applicable alternative reference rates may impact the value of, return on, and markets for, a broad array of our products, our financial instruments, the instruments in which we invest, or interest or dividend rates on our borrowing, preferred stock or debt. The effects on our business and investments will vary depending on the transition of our existing LIBOR contracts to alternative reference rates, including the adequacy of LIBOR fallback provisions in such contracts, whether, how, and when industry participants adopt alternative reference rates for new products or instruments, the availability of " synthetic " LIBOR and the applicability of U. S. legislative remedies that address LIBOR transition risk for various legacy U. S. Dollar LIBOR contracts. Uncertainty regarding the continued use and reliability of LIBOR, regarding the calculation of the applicable interest rate or payment amount depending on the terms of the governing instruments, or regarding the application or effectiveness of alternative reference rates, could increase our costs, reduce the value of such instruments, or impair our cash or derivative positions. We may not effectively hedge or manage risks from differences among applicable alternative reference rates or timing of when such rates take effect. We may fail to adequately prepare for or react to LIBOR discontinuation and replacement, or fail to fully protect ourselves from all the effects of such changes. We may also fail to manage adequately any transition to alternative reference rates in a way that maintains the competitiveness of our products and the performance of our investment portfolio. Our transition may not effectively protect other aspects of our business, such as our operations and the accuracy of the financial models and valuations we use to gauge our risks, for financial reporting, or other purposes. Any such uncertainties or ineffective management may harm our reputation, our relationships with our investors, customers, or regulators, our financial condition, and our business operations.~~ Our Efforts to Meet Environmental, Social, and Governance Standards and to Enhance the Sustainability of our Businesses May Not Meet Investors', Regulators' or Customers' Expectations Some of our shareholders, investors and customers, or those considering such a relationship with us, evaluate our business or other practices according to a variety of ESG standards and expectations. ~~Some~~ **Our practices and performance are subject to increasing scrutiny with regard to various aspects** of ~~our~~ **ESG performance from** regulators **and** ~~have proposed or announced that they plan to propose ESG rules or announced that they intend to review our practices against ESG standards; others -~~ **other stakeholders** ~~may do so in the future~~ . Further, we define our own corporate purpose, in part, by the sustainability of our practices and our impact on all our stakeholders. Our investors or others may evaluate our practices by ESG criteria that are continually evolving and not always clear or readily measurable. These standards and expectations may also, as a whole, reflect contrasting or conflicting values or agendas **and are not always susceptible to consensus** . Our decisions ~~or~~ **and** priorities must also necessarily, and simultaneously, take account of multiple business goals and interests. Our practices may not change in the particulars or at the rate **some** stakeholders expect. As a result, our efforts to conduct our business in accordance with some or all these expectations may involve trade- offs. In June 2022, we announced our ~~goal~~ **commitment** to achieve net zero greenhouse gas **(" GHG ")** emissions **by 2050** ~~for -~~ **or sooner. This commitment applies to GHG emissions from** our global ~~operations~~ **owned and leased offices and vehicle fleets, employee business travel, supply chain** and general account investment portfolio ~~by 2050 or sooner~~ **, including the general accounts of MetLife, Inc.' s wholly- owned subsidiaries, where reliable data and methodologies are available** . We ~~are reorienting~~ **have oriented** our climate ~~commitments~~ **objectives and interim targets** to advance this ~~goal~~ **commitment** , which involves assumptions and expectations that involve risks and uncertainties **. Data and measurement techniques continue to evolve. Further, because of the financed emissions included in our investment portfolio, our ability to meet our commitments is dependent on those counterparties meeting their own carbon reduction objectives** . We may fail to meet our commitments or targets, and our policies and processes to evaluate and manage ESG standards in coordination with other business priorities may not prove completely effective or fully satisfy ~~investors~~ **expectations of some stakeholders. For example** , ~~regulators,~~ **some current** customers ~~or others. Customers~~ and potential customers may **decline** ~~be prohibited or choose not~~ to do business with us based on our sustainability practices and related policies and actions. We may **also** face adverse regulatory, investor, media, or public scrutiny leading to business, reputational, or legal challenges. Capital Risks We May Not be Able to Pay Dividends or Repurchase Our Stock Due to Legal and Regulatory Restrictions or Cash Buffer Needs Our financial condition, results of operations, cash requirements, future prospects, capital position, liquidity, financial strength and credit ratings, as well as regulatory restrictions on the payment of dividends by MetLife, Inc.' s insurance subsidiaries, general market conditions, the market price of our common stock compared to management' s assessment of the stock' s underlying value, applicable regulatory approvals, other legal and accounting factors, and any other factors our Board deems relevant may preclude us from paying dividends or repurchasing our common stock. Other factors may affect our ability to pay dividends or repurchase our common stock. Governments, investors or media may pressure us not to repurchase shares of our common stock or other securities, or prohibit us from doing so. Our use of other means to return excess capital to shareholders may be less tax- efficient than repurchases. We maintain a buffer of cash and other liquid assets, and may increase it. As a result, we may have less capital to devote to other uses, such as innovation, acquisitions, development and return of capital to shareholders. We may also be restricted from repurchasing shares or entering into share repurchase programs at times, such as when we are aware of material non- public information. If we do not pay dividends on our preferred stock or pay interest on our junior subordinated debentures or trust securities, terms of those instruments may restrict our ability to pay dividends on or repurchase our common stock. Further, terms applicable to our Floating Rate Non- Cumulative Preferred Stock, Series A ~~(the " Series A preferred stock ")~~ , junior subordinated debentures and trust securities may prevent us from paying dividends or interest on those instruments. We may not be able to eliminate these restrictions through the repayment, redemption or purchase of junior subordinated debentures or other securities. Our Subsidiaries May be Unable to Pay Dividends, a Major Component of Holding Company Free Cash Flow If the cash MetLife, Inc. receives from its subsidiaries through dividends and other payments is insufficient for it to fund its debt service and other holding company obligations, MetLife, Inc. may have to issue debt or equity, or sell assets. MetLife, Inc. may also not meet its free cash flow or shareholder cash distribution goals. Insurance regulators may restrict dividends or other payments above certain amounts where their approval is required if they determine payments could be adverse to our policyholders or contractholders. Business conditions, rating agency considerations, taxation, dividend and repatriation rules, and monetary transfer and foreign currency exchange rules may limit our insurance subsidiaries' dividends and other payments. We may need to transfer capital among our companies to comply with net worth maintenance or other support agreements, limiting capital available for other purposes. Investment Risks We May Face Defaults, Downgrades, Volatility or Other Events That Adversely Affect the Investments We Hold In case of a major economic downturn, U. S. government default (or threatened default), acts of corporate malfeasance, widening credit risk spreads, ratings downgrades or other events, our estimated fair value of our fixed income securities and loan portfolios and corresponding earnings may decline, and the default rate of our investment portfolio may increase. These changes could harm the issuers or guarantors of securities or the underlying collateral of structured securities that we hold. We may have to hold more capital to support our securities to maintain our RBC levels if securities we hold suffer a ratings downgrade. Our intent to sell, or our assessment of the likelihood that we will be required to sell, fixed income securities may increase our write- downs or impairments. Our realized losses or impairments on these securities may harm our net income. The default rate, loss severity or other performance of our mortgage loan investments may change. Any concentration of our mortgage loans by geography, tenancy or property type may have an adverse effect on our investment portfolio, the prices we can obtain when we sell assets, and our results of operations or financial condition. Legislation or regulations that would allow or require modifications to the terms of, or impact the value of, mortgage loans or other investments could harm our investment portfolio. ~~Pandemics and other major~~ **Major** public health issues ~~(such as the COVID-19 pandemic)~~ have affected and may continue to affect financial markets and our investment portfolio. These may continue to contribute to our risk of investment defaults, downgrades and volatility, **asset impairments** and lower variable investment income and returns, and may cause or exacerbate any of the investment risks we describe in these risk factors. Market volatility affects the value of or return on our investments. It may slow or prevent us from reacting to market events as effectively as we otherwise could. When we sell our investment holdings, we may not receive the prices we seek, and may sell at a price lower than our carrying value, due to reduced liquidity during periods of market volatility or disruption, or other reasons. Borrowers may delay or fail to pay principal and interest when due, or may demand loan modifications. Tenants may delay paying rent, or fail to pay it, or demand lease modifications. We may face moratoriums on foreclosures and other enforcement actions impairments, and loan or lease modifications, due to government action or market conditions. We may also encounter credit spread changes, increasing our borrowing costs and decreasing our product fee income. Issuer or guarantor default rates may increase. We May Have Difficulty Selling Holdings in Our Investment Portfolio or in Our Securities Lending Program in a Timely Manner to Realize Their Full Value When we sell holdings in our investment portfolio, we may not receive the price we seek and may sell at a price lower than our carrying value. We may face unfavorable conditions in privately- placed fixed income securities, private structured credit, certain derivative instruments, mortgage loans, policy loans, direct financing and leveraged leases, other limited partnership interests, tax credit and renewable energy partnerships, and real estate equity, including real estate joint ventures and funds. Our investments may suffer reduced liquidity during periods of market volatility or disruption or for other reasons. In addition, central banks' efforts to provide market liquidity or otherwise address market conditions may not be successful or sufficient. We may realize losses that harm our financial metrics, which could harm our compliance with our credit requirements and rating agency capital adequacy measures. We may face similar risks if we are required under our securities lending program to return significant amounts of cash collateral that we have invested. Our securities lending activities and profitability may decrease. We May Have to Pledge Collateral or Make Payments in Derivatives Transactions We may have to pledge additional collateral and increase payments we make under our derivatives transactions. Regulators, clearinghouses, or counterparties may restrict or eliminate eligible collateral, increase our collateral requirements, or charge us to pledge such collateral, which would increase our costs, reduce our investment income, and harm our liquidity. We May Change Our Securities and Investments Valuation, or Take Allowances and Impairments on Our Investments, or Change Our Methodologies, Estimations, and Assumptions During periods of market disruption or rapidly changing market conditions, such as significantly rising or high interest rates, rapidly widening credit spreads or illiquidity, or infrequent trading, or when market data is limited, our assets may become less liquid. We may base our asset valuations on less observable and more subjective judgments, assumptions, or methods that may result in estimated fair values that significantly vary by period, and may exceed the investment' s sale price. The estimated fair value of our securities may also decrease due to changes in valuation methods and assumptions. Business Risks Our Actual Claims or Other Results May Differ From Our Estimates, Assumptions, or Models If our actual claims experience is less favorable than the underlying underwriting, reserving, and other assumptions we used in establishing claim liabilities, we could be required to reduce value of business acquired (" VOBA "), increase our liabilities, or incur higher costs. The amounts that we will ultimately pay to settle our liabilities, particularly when those payments may not occur until well into the future, may vary from what we expect. We may change our liability assumptions and increase our liabilities based on actual experience and accounting requirements. Our operating practices and procedures that support our policyholders and contractholder obligation assumptions, such as obtaining, accumulating, and filtering data, and our use of technology, such as database analysis and electronic communications, may affect our reserve estimates. If these practices and procedures do not accurately produce the data to support our assumptions or cause us to change our assumptions, or if enhanced technological tools become available to us, we may change those assumptions and procedures, as well as our reserves. If any of our operating practices and procedures do not accurately produce, or reproduce, data that we use to conduct any or all aspects of our business, such deviations or errors may negatively impact our business, reputation, results of operations, or financial condition. We may change our assumptions, models, or reserves due to changes in longevity. Increases in the prevalence and accuracy of genetic testing, or restrictions on its use, may exacerbate adverse selection risks. Pandemics and other public health issues ~~(such as the COVID- 19 pandemic)~~ have caused and may continue to cause increased claims under many of our policies (for example, life, disability, leave, long- term care, major medical and supplemental health products), raising our resulting costs. Governments or others may fail to produce accurate population and impact data that we use in our estimates, assumptions, models, or reserves, such as death rates, infections, morbidity, hospitalization, or illness. This may cause or exacerbate any of the risks related to our estimates or assumptions. Pandemics and other public health issues may cause related or consequential long- term economic, social, political, policy, regulatory, business, demographic, or other changes to our claims or other areas subject to estimates, assumptions, models, or reserves. We may not accurately predict, prepare, and adjust to these changes. We May Face a Variety of Political, Legal, Operational, Economic and Other Risks Globally The global nature of our business operations exposes us to a wide range of political, legal, operational, economic and other risks, including ~~but not limited to~~ : nationalization or expropriation of assets; imposition of limits on foreign ownership of local companies; **restrictions on the ability to access cash on deposit,** changes in laws, their application or interpretation; political instability; economic or trade sanctions; sanctions on cross- border exchange listing, investment or other securities transactions; dividend limitations; price controls; **regulations to address climate change;** currency exchange controls or other transfer or exchange restrictions; difficulty enforcing contracts; regulatory restrictions; and public or political criticism of our business and operations. Some of these actions may affect us more harshly than our peers. Some of our businesses operate in emerging markets, where many of these risks are heightened. We face other risks that may affect our global operations and investments, including those related to the imposition of tariffs or other barriers to international trade, changes to international trade agreements, uncertainties in intergovernmental organizations, pension system reforms, labor problems with workers' associations or trade unions, and reliance on interconnected information systems and the security of such systems. Expanding our operations to new businesses or jurisdictions may require considerable management time and expenses before significant, if any, revenues and earnings are generated, which may reduce management and financial resources available for other uses. Our operations in new or existing markets may be unprofitable or achieve low margins. We May Face Competition for Business Competitive pressures, based on a number of factors including service, product features, scale, price, financial strength, claims- paying ratings, credit ratings, e- business capabilities, name recognition, performance against ESG metrics, technology, adaptation in light of pandemics and other public health issues, changes in regulation and taxes, and other factors, may adversely affect the persistency of our products and our ability to sell products in the future. We may be harmed by competition from other insurance companies, as well as non- insurance financial services companies, which may have a broader array of products, more competitive pricing, higher claims paying ability ratings, greater financial resources with which to compete, or pre- existing customer bases for financial services products. Additionally, we may lose purchasers of group insurance products that are underwritten annually due to more favorable terms from competitors. Furthermore, the investment management and securities brokerage businesses have relatively low barriers to entry and continually attract new entrants. Our customers and clients may engage other financial service providers, resulting in our loss of business. An increase in consolidation activity among banks, brokers and broker- dealers may negatively impact the insurance industry' s sales. It may increase competition for access to distributors, resulting in greater distribution expenses, and may impair our ability to market insurance products to or expand our current customer base. Consolidation and other industry changes may also increase the likelihood that distributors will renegotiate agreements on terms less favorable to us. In addition, legislative and other changes affecting the regulatory environment for our business may not impact all activities and companies equally, which could adversely affect our competitive position within the insurance industry and the broader financial services industry. We Face Technological Changes That Present New and Intensified Challenges and May Fail to Foresee or Adapt to These Changes Our business operations rely on functioning and secure information systems and those of our vendors. Technological changes present us with new or intensified challenges, and if we are unable to foresee or adapt to these changes, our business, results of operations and financial condition may be adversely affected. For example, our assumptions, models and reserves may need to be modified if we are unable to accurately, timely, or completely process, store and retrieve the increased volume and variety of information relating to our businesses, including information related to deaths, that new technological tools for data collection and analysis make available. Similarly, our distribution channels may become more automated to increase flexibility of access to our services and products. We may incur significant costs to implement and adapt to such changes. If we are unsuccessful, our results of operations, competitive position, reputation and customer and distribution relationships may be harmed. Steps taken to adapt to these changes, such as changes to the method of collection and analysis of data, could also expose us to litigation or other regulatory and legal actions. Technological changes may affect our business model and how we interact with existing or prospective customers, and evolving consumer preferences may require a redesign of our products and investment composition. For example, changes in energy technology and increasing consumer preferences for e- commerce may harm the profitability of some businesses. **Likewise, the growth and availability of artificial intelligence (" AI ") technologies, including generative AI, presents significant opportunities but also complex challenges, including with respect to balancing and mitigating potential risks of harm posed by the development or deployment of AI technologies.** We may fail to adjust our investments accordingly or suffer stranded assets. If we are unable to update our business model to match evolving consumer preferences and purchasing behavior **, or the evolving technological landscape** , our business, results of operations and financial condition may be adversely affected. New technologies may impact the configuration of our information systems, and how they connect with those of our vendors, service providers and / or partners. Such technological developments may introduce or uncover information security vulnerabilities, which may result in breaches or increased costs associated with maintaining appropriate ~~cybersecurity and~~ **data privacy,** data protection **, and cybersecurity** measures or enforcement actions against us by regulators. Any such vulnerability that results in a security breach or failure of our information systems, or those of third parties on which we rely, may result in litigation, regulatory action, negative impacts to our business operations, and reputational harm. We May Face Catastrophes That Affect Liabilities for Policyholder Claims and Reinsurance Availability Catastrophic events could increase claims, impair assets in or otherwise harm our investment portfolio, and could harm our reinsurers' financial condition, increasing reinsurance defaults. Catastrophic events may also reduce economic activity in affected areas, which could harm our existing business or prospects for new business, or the value of our investments. The severity of claims from catastrophic events may be higher if property values increase due to inflation or other factors or our insured lives or property are geographically concentrated. Pandemics and other public health issues or other events **, and governmental, business, and consumer reactions to them, may affect economic conditions and** may cause a large number of illnesses or deaths. Hurricanes, windstorms, earthquakes, hail, tornadoes, explosions, severe winter weather, fires, floods and mudslides, blackouts and man- made events such as riot, insurrection, terrorist attacks or acts of war may also cause catastrophic losses and increased claims. ~~An~~ **Any such catastrophes may also result in changes in consumer** ~~event that affects the workforce of one or more of our~~ - **or business confidence, behavior** ~~customers could increase our mortality or morbidity claims. Governmental~~ and ~~non-~~ **investment and business activity, changes to interest rates and other market risk factors, and** governmental ~~organizations may not effectively mitigate catastrophes' effects~~ **or other restrictions on economic activity for prolonged periods** . Consistent with industry practice and accounting standards, we establish liabilities for claims arising from a catastrophe only after assessing the probable losses arising from the event. The liabilities we have established may not be adequate to cover our actual claim liabilities. Our efforts to manage risks may be impeded by restrictions on our ability to withdraw from catastrophe- prone areas or on reinsurance transactions. We may be unable to obtain catastrophe reinsurance at rates we find acceptable, or at all. We may also be called upon to make contributions to guaranty associations or similar organizations as a result of catastrophes. We May Face Direct or Indirect Effects of Climate Change or Responses to It Climate change may increase the frequency and severity of short-, medium-, or long- term weather- related disasters, public health incidents, **forest fires, rising sea levels** and pandemics, and their effects may increase over time. Climate change regulation may harm the value of investments we hold or harm our counterparties, including reinsurers, or increase our compliance costs. Our regulators may also increasingly focus their examinations on our management of climate- related risks. We May Need to Fund Deficiencies in Our Closed Block, and May Not Re- Allocate Closed Block Assets The closed block assets established in connection with the MLIC demutualization, their cash flows, and the revenue from the closed block policies may not be sufficient to provide for the policies' guaranteed benefits. If they are not, we must fund the shortfall. We may choose, for competitive or other reasons, to support policyholder dividend payments with our general account funds. Such actions may reduce funds otherwise available for other uses. We May Be Required to Recognize an Impairment of Our Goodwill or Other Long- Lived Assets or to Establish a Valuation Allowance Against Our Deferred Income Tax Assets We may reduce our estimated fair value of business units, impairing our goodwill and charging net income, if prolonged market declines or other factors negatively impact the performance of our businesses. We may write down long- lived assets if we conclude we will be unable to recover their carrying amount. We may charge net income because we determine that it is more likely than not that we will not realize a deferred income tax asset based on the performance of the business and its ability to generate future taxable income. In addition, we may need to adjust the value of deferred tax assets and liabilities if tax rates change. We May Be Required to Impair VOBA, VODA or VOCRA Adverse changes to investment returns, mortality, morbidity, persistency, interest crediting rates, dividends paid to policyholders, expenses to administer the business, creditworthiness of reinsurance counterparties, significant or sustained equity market declines, significant changes to bond spreads, and certain other economic variables, such as inflation, could cause an impairment of the value of distribution agreements acquired (" VODA "), VOBA or the value of customer relationships acquired (" VOCRA "). We may accelerate amortization or impair these assets in the period these occur. We May Face Volatility, Higher Risk Management Costs, and Increased Counterparty Risk Due to Guarantees Within Certain of Our Products Our liabilities for guaranteed benefits, including ~~but not limited to~~ no- lapse guarantee benefits, guaranteed minimum death benefits ~~(" GMDBs ")~~ , guaranteed minimum withdrawal benefits ~~(" GMWBs ")~~ , guaranteed minimum accumulation benefits ~~(" GMABs ")~~ , guaranteed minimum income benefits ~~(" GMIBs ")~~ , and **certain** minimum crediting rate features could increase if equity or fixed income funds decline or become more volatile, or interest rates ~~remain low or~~ decrease. Our derivatives and other risk management strategies to hedge our economic exposure to these liabilities may harm our results. Our use of reinsurance, derivatives, or other risk management techniques may not sufficiently offset the costs of guarantees or protect us against losses from changes in policyholder behavior, mortality, or market events. Policyholders may also change their behavior in unexpected ways. For example, policyholders ~~and contractholders~~ seeking liquidity due to economic uncertainty or challenges may withdraw or surrender, change their premium payment practices, exercise product options, or take other actions at rates different from those we expect. Operational Risks Our Risk Management Policies and Procedures, or Our Models, May Leave Us Exposed to Unidentified or Unanticipated Risk Our **ERM** ~~enterprise risk management~~ and business continuity policies and procedures may not be sufficiently comprehensive and may not identify or adequately protect us from every risk to which we are exposed. Pandemics and other public health issues ~~(such as the COVID-19 pandemic)~~ , and authorities' and people' s reactions thereto, have resulted in and may continue to result in remote, hybrid and / or flexible office working arrangements and other unusual conditions. These may strain our risk management and our business continuity plans, introduce or increase our operational and cybersecurity risks, and otherwise impair our ability to manage our business. They may increase the frequency and sophistication of attempts at unauthorized access to our technology systems **, or those of third parties on which we rely** . They may hinder our efforts to prevent money- laundering or other fraud, whether due to limited abilities to " know our customers, " strains on our programs to avoid and deter foreign corrupt practices, or otherwise, and may increase both our compliance costs and our risk of violations. The assumptions, projections and data on which our risk management models are based may be inaccurate, and our models may not be suitable for their purpose, be misused, not operate properly, and contain errors. Our decisions and model adjustments, including determination of reserves, are based on such model output and reports and may be flawed. We may fail to identify or remediate model errors adequately. Our models may not fully predict future exposures or correctly reflect past experience. Our evaluation of markets, clients, catastrophe occurrence or other matters may not always be accurate, complete, up- to- date or properly evaluated. We may not effectively identify and monitor all risks or appropriately limit our exposures and our associates, vendors or non- employee sales agents may not follow our risk management policies and procedures. Past or future misconduct by our associates, vendors or non- employee sales agents could result in investigations, violations of law, regulatory sanctions, and litigation. We may have to implement more extensive or different risk management policies and procedures due to legal and regulatory requirements. Our Policies and Procedures May Be Insufficient to Protect Us From Operational Risks We may make errors in any of the large number of transactions we process through our complex administrative systems. Our controls and procedures to prevent such errors may not be effective. Our controls and procedures to comply with and enforce contractual obligations may not always be effective. Mistakes can subject us to claims from our customers. If we are unable to obtain necessary and accurate information from our customers or their employees, we may be unable to provide or verify coverage and pay claims, or we may pay claims without sufficient documentation ~~. Pandemics and other public health issues (such as the COVID- 19 pandemic) have increased, and may continue to increase, our administrative expenses and have impacted the reliability and efficacy of our operational processes. They may affect our employees, agents, brokers and distribution partners, vendors, other service providers and counterparties. We may have difficulties conducting our business, including continued challenges in selling some of our products, such as those traditionally sold in person. We may face increased workplace safety costs and risks, lose access to critical employees, and face increased employment- related claims and employee- relations challenges. Any of the third parties to whom we outsource certain critical business activities may fail to perform due to a force majeure or otherwise~~ . The controls of our vendors on whom we rely may not meet our standards or be adequate. Our vendors could fail to perform their services accurately, consistently with applicable law or timely. Our exchange of information with vendors may be imperfect, or our vendors may suffer financial or reputational distress. Each of these may cause errors, misconduct, or discontinuation of services. We may fail to escheat property timely and completely. As a result, we may incur charges, reserve strengthening, and expenses, regulatory examinations, or penalties. Our practices and procedures may, at times, limit our efforts to contact all our customers, which may result in delayed, untimely, or missed customer payments. Our associates, vendors, non- employee sales agents, customers, or others may commit fraud against us. Our policies and procedures may be ineffective in preventing, detecting or mitigating fraud and other illegal or improper acts. We may fail to attract, motivate and retain employees, develop talent, and plan for management succession. The institution of protocols relating to the COVID- 19 pandemic and policies relating to workplace flexibility may exacerbate these concerns. Additionally, attrition could cause a lapse in implementation of policies and procedures. Notwithstanding our compliance with regulatory and accounting requirements in relation to internal controls and our conclusion that internal control over financial reporting is effective as of the date reported, **the Company' s internal controls have in the past proved, and** there is a risk that ~~the~~ **they may in the future** ~~Company' s internal controls will~~ prove **, to be deficient or** ineffective ~~and significant deficiencies or material weaknesses in internal controls may occur in the future~~ . We May Fail to Protect the Confidentiality and Integrity of Our Data, Including As a Result of a Failure in Our Cybersecurity or Other Information Security Systems or Our Disaster Recovery Plans or Those of Our Vendors Our business is highly dependent upon the effective operation of our information systems, and those of our service providers, vendors, and other third parties. Our business relies on the proper functioning of these systems, including processing claims, transactions and applications, providing information to customers and distributors, performing actuarial analyses, retaining customer and business records and other core business functions. A failure in the security of such systems, use by our employees or agents of unauthorized tools, software or other technology to communicate with customers or business counterparties or a failure to maintain the security of our internal or external vendors' systems, or the confidential information stored thereon, may adversely affect our ability to conduct business, result in regulatory enforcement action and litigation, and harm our results of operations, financial condition and reputation. We, our employees, and our vendors, like other commercial entities, continue to be targeted by or subject to computer viruses or other malicious ~~codes~~ **code** , unauthorized or fraudulent access, human errors, ransomware or cyber- attacks, and other breaches ~~of~~ **or incidents affecting our** cybersecurity and information security systems. Globally, the frequency, severity and sophistication of cybersecurity incidents have increased, and these trends may continue. While we have implemented, and we require our critical vendors to implement, what we believe to be ~~effective~~ **reasonable and appropriate** cybersecurity and data protection measures, including a formal risk- based information security program, our efforts to minimize the risk of cyber- incidents and protect our information technology may be insufficient to prevent **material** break- ins, attacks, fraud, security breaches or other unauthorized access to our and our vendors' systems, including as a result of software code that contains vulnerabilities ~~that are unknown to us or our vendors~~ that may increase the potential of cyber- attacks or unauthorized access. We may not timely detect such incidents. If we or our vendors fail to prevent, detect, address and mitigate such incidents, we may suffer significant financial and reputational harm. There is no assurance that our security measures or those of our vendors, including information security policies, administrative, technical and physical controls and other actions designed as preventative, will provide fully effective protection from such events. In addition, we routinely transmit, receive and store personal, confidential and proprietary information by electronic means, including customers' confidential health- related information. Although we attempt to keep such information confidential and secure, we may be unable to do so in all events, and we or our vendors may also fail to maintain adequate internal controls or comply with relevant policies and procedures designed to ensure the privacy **and integrity** of sensitive data. Such failure may result in our or our vendors' intentional or unintentional disclosure or misuse of confidential information, as well as others' misappropriation of such confidential information, which could damage our reputation, reduce demand for our products and services and subject us to significant legal and regulatory liability and expenses, which would harm our business, results of operations and financial condition. We, our vendors, our reinsurers, and our customers may suffer disasters such as a natural catastrophe, epidemic, pandemic, industrial accident, blackout, computer virus, terrorist attack, ransomware or cyber- attack, or war, and ours or their disaster recovery systems may be insufficient to safeguard our ability to conduct normal business operations, obtain reinsurance and maintain our critical business or information technology systems in such circumstances, particularly if such disasters affect computer- based data processing, transmission, storage and retrieval systems and / or destroy or otherwise adversely impact the confidentiality, integrity or availability of valuable data or the financial wherewithal of reinsurers or vendors. Our ability to conduct business effectively and maintain the security, integrity, confidentiality or privacy of sensitive data could be severely compromised if, as a result of such disaster, key personnel are unavailable, or our vendors' ability to provide goods and services and our associates' ability to perform their job responsibilities are impaired. We may not carry business interruption insurance sufficient to protect us from all losses that may result from such interruptions, and any insurance for liability, operational and other risks may become less readily available or more expensive in the future. We may not be able to reliably access all the documents and records in the information storage systems we use, whether electronic or physical. We may fail to obtain or maintain all the records we need to administer and establish appropriate reserves for benefits and claims accurately and timely. If a data breach ~~released~~ **exposed** any of our sensitive financial information, then customers, investors, or regulators may develop an inaccurate perception of our financial condition or results of operations. We could be compelled to publicly disclose information prematurely in order to dispel such inaccurate perceptions, or in order to fulfill our disclosure obligations, even if we do not believe the information is yet completely reliable or confirmed per our usual internal controls and disclosure controls. This may result in harm to our reputation. Regulators' or others' scrutiny of cybersecurity, including new laws or regulations, could increase our compliance costs and operational burdens, especially as regulatory and legislative focus on cybersecurity matters intensifies **, which could lead to more enforcement actions of such laws or regulations. See " Business — Regulation — Cybersecurity, Privacy and Data Protection Regulation " for additional information** . Regulators, customers, or others may act against us for any cybersecurity failures. We also have an increasing challenge of attracting and retaining highly qualified personnel to assist us in combating these security threats. Our continuous technological evaluations and enhancements, including changes designed to update our protective measures, may increase our risk of a breach or gap in our security. We may incur higher costs to comply with laws on, or regulators' scrutiny of, our use, collection, management, or transfer of data and other privacy practices. We are continuously evaluating and enhancing our cybersecurity and information security systems and creating new systems and processes. However, there can be no assurance that these measures will be effective in preventing or limiting the impact of future cybersecurity incidents. We May Face Changes in Accounting Standards Authorities may change accounting standards that apply to us, and we may adopt changes earlier than required. Changes in accounting rules applicable to our business may have an adverse impact on our results of operations and financial condition. For a discussion of the impact of **U. S. GAAP** accounting pronouncements issued but not yet implemented, see Note 1 of the Notes to the Consolidated Financial Statements. Our Associates May Take Excessive Risks Our associates, including executives and others who manage sales, investments, products, wholesaling, underwriting, and others, may take excessive risks. Our compensation programs and practices, and our other controls, may not effectively deter excessive risk- taking or misconduct. We May Have Difficulty in or Complications from Marketing and Distributing Our Products Our product distributors may suspend, alter, reduce or terminate their distribution relationships with us if we change our strategy, if our business performance declines, as a result of rating agency actions or concerns about market- related risks, or for **regulatory or** other reasons. Our distributors may merge, change their business models in ways that affect us, or terminate their distribution contracts with us, and new distribution channels could emerge, harming our distribution efforts. Distributors may try to renegotiate the terms of any existing selling agreements to less favorable terms due to consolidation or other industry changes or for other reasons. Disruption or changes to our relationships with our distributors could harm our ability to market our products. Our employees or unaffiliated firms or agents may distribute our products in an inappropriate manner, or our customers may not understand them or whether they are suitable. We May Change Our Pension and Other Postretirement Benefit Plans Assumptions We may change our discount rate, rate of return on plan assets, mortality rate, compensation level or medical trends assumptions, harming our benefit plan estimates. We May be Unable to Protect Our Intellectual Property and May Face Infringement Claims We may be unable to prevent third parties from infringing on or misappropriating our intellectual property. We may incur litigation costs to enforce and protect it or to determine its scope or validity, and we may not be successful. In addition, we may be subject to claims by third parties for infringement of intellectual property, breach of license usage rights, or misappropriation of trade secrets. We may incur significant expenses for any such claims. If we are found to have infringed or misappropriated a third- party intellectual property right, we may be enjoined from providing certain products or services to our customers or from utilizing and benefiting from certain intellectual property. Alternatively, we could be required to enter into costly licensing arrangements with third parties or implement a costly alternative. Risks Related to Acquisitions, Dispositions or Other Structural Changes We May Face Difficulties, Unforeseen Liabilities, Asset Impairments or Rating Actions from Business Acquisitions or Integrating and Managing Growth of Such Businesses, Dispositions of Businesses, or Legal Entity Reorganizations Acquisitions and dispositions of businesses, joint ventures, and other structural changes expose us to a number of risks arising from, among other factors, economic, operational, strategic, financial, tax, legal, regulatory, and compliance. As a result, there can be no assurance that any acquisition, disposition or reorganization will be completed as contemplated, or at all. We may not realize the anticipated economic, strategic or other benefits of any transaction. Effecting these transactions may result in unforeseen expenditures and liabilities or a performance different than we expected. The areas where we face risks include, among others, rights to indemnification for losses, regulatory, liquidity and capital requirements, loss of customers, distributors, vendors and key personnel, diversion of management time and resources to acquisition integration challenges or growth strategies from maximizing business value, and inability to realize anticipated efficiencies. Our success in conducting business through joint ventures will depend on our ability to manage a variety of issues, including: (i) our exposure to additional operational, financial, legal, tax or compliance risks as a result of entry into certain joint ventures; (ii) our dependence on a joint venture counterparty given limits on our ownership or distribution requirements, as well as for resources, including capital and product distribution, may reduce our control over, financial returns from, or the value of a joint venture; and (iii) our counterparties' cooperation or their ability to meet obligations, or election to alter, modify or terminate a relationship. Reorganizing or consolidating the legal entities through which we conduct business may raise similar risks. Our success in realizing the benefits from legal entity reorganizations will also depend on our management of various issues, including regulatory approvals, modification of our operations and changes to our investment portfolios or derivatives hedging activities. Any of these risks, if realized, could prevent us from achieving the benefits we expect from such transactions. We May Face Risks Related to Our Separation from Brighthouse We may not realize any or all of the expected tax or other benefits of the Brighthouse separation. Brighthouse may not succeed, causing litigation or regulatory claims against us. Governance Risks MetLife, Inc.' s Board of Directors May Influence the Outcome of Stockholder Votes on Matters Due to the Voting Provisions of the MetLife Policyholder Trust Our Board of Directors may be able to influence stockholder votes by virtue of the provisions of the MetLife Policyholder Trust and the number of shares of MetLife, Inc. common stock held ~~by~~ **in** it. Trust beneficiary vote instructions are likely to have disproportionate weight on votes concerning certain fundamental corporate actions because the trustee will vote all the shares of common stock held by the trust in proportion to those instructions actually received. We may incur regulatory, mailing, or other costs related to the termination of the trust, distribution of the common stock held in the trust to beneficiaries and the resulting increase in the number of shareholders ~~. The increase to our shareholder base~~ with full voting rights **. This increase** may affect the outcome of matters brought to a stockholder vote and other aspects of our corporate governance. State or Federal Laws, or MetLife, Inc.' s Certificate of Incorporation and By- Laws, May Delay, Deter or Prevent Takeovers and Business Combinations State laws, federal laws and MetLife, Inc.' s certificate of incorporation and by- laws may delay, deter or prevent a takeover attempt that stockholders might consider favorable. These provisions may adversely affect the price of MetLife, Inc.' s common stock if they discourage takeover attempts. Stockholders' changes to MetLife, Inc.' s corporate governance may make it more difficult for the Board of Directors to protect stockholders' interests.