

# Second-Party Opinion

## Pacific Life

### Sustainable Financing Framework



#### Evaluation Summary

Sustainalytics is of the opinion that the Pacific Life Sustainable Financing Framework is credible and impactful and aligned with the four core components of the Sustainability Bond Guidelines 2021, Green Bond Principles 2021 and the Social Bond Principles 2023. This assessment is based on the following:



**USE OF PROCEEDS** The eligible categories for the use of proceeds<sup>1</sup> are aligned with those recognized by the Green Bond Principles and Social Bond Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental and social impacts and advance the UN Sustainable Development Goals, specifically SDGs 4, 6, 7, 9, 11, 12 and 14.



**PROJECT EVALUATION AND SELECTION** Pacific Life's Sustainable Financing Steering Committee will be in charge of reviewing and selecting projects. The committee is comprised of members from Pacific Life's Institutional Capital Markets Group, Investment Management, Commercial Real Estate, Law Department, Corporate Affairs and Brand Management. The Capital Markets Group will ultimately approve eligible projects. Pacific Life has internal processes to address environmental and social risks commonly associated with the financed projects. Sustainalytics considers the project selection process in line with market practice.



**MANAGEMENT OF PROCEEDS** Pacific Life will track allocations through an internal register overseen by its Capital Markets Group, and the register will show an allocation amount equal to the net proceeds for the full term of the sustainable finance instruments. Pacific Life intends to allocate net proceeds within 24 months of each issuance. Pending full allocation, an amount equal to the balance of proceeds will be invested in accordance with the Company's internal liquidity portfolio guidelines or in cash, cash equivalents or US Treasury securities. This is in line with market practice.



**REPORTING** Pacific Life will provide a standalone annual allocation and impact report on its website on an annual basis until full allocation of each issuance. Allocation reporting will include management's assertion that the use of proceeds complies with the Framework, amounts allocated to eligible categories, amount of unallocated net proceeds and share of financing versus refinancing. Sustainalytics views Pacific Life's allocation and impact reporting as aligned with market practice.

<b>Evaluation Date</b>	July 02, 2024 <sup>2</sup>
<b>Issuer Location</b>	Newport Beach, CA United States

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#### Alignment with the EU Taxonomy

Sustainalytics has assessed the Framework for alignment with the EU Taxonomy's criteria for Substantial Contribution (SC) to its environmental objectives and Minimum Safeguards. For more details, please see Section 1 and Appendix 1.

<sup>1</sup> The eligible categories for the use of proceeds are: Green Buildings; Renewable Energy; Energy Efficiency; Sustainable Water and Wastewater Management; Terrestrial and Aquatic Biodiversity Conservation; Clean Transportation; Eco-efficient and Circular Economy-adapted Products, Production Technologies and Processes; Environmentally Sustainable Management of Living Natural Resources and Land Use; Access to Essential Services – Education; and Affordable Housing.  
<sup>2</sup> This Second-Party Opinion updates the Second-Party Opinion provided by Sustainalytics on 28 June, 2024.

## Introduction

Pacific Life Insurance Company (“Pacific Life” or the “Company”) is an insurance company that provides a variety of life insurance products, annuities and mutual funds to individuals, businesses and pension plans. The Company is headquartered in Newport Beach, California, and has nearly USD 131 billion in assets under management in its investment portfolio as of December 2023.<sup>3</sup>

Pacific Life has developed the Pacific Life Sustainable Financing Framework dated June 2024 (the “Framework”), under which Pacific Life and its subsidiaries<sup>4</sup> may issue green, blue, social and sustainability bonds and other instruments, such as senior notes, funding agreement backed notes and funding agreement backed commercial paper notes.<sup>5,6</sup> Pacific Life and its subsidiaries intend to use the proceeds from these instruments to finance or refinance, in whole or in part, existing and future projects intended to provide environmental and social benefits. The Framework defines eligibility criteria in 10 areas:

1. Green Buildings
2. Renewable Energy
3. Energy Efficiency
4. Sustainable Water and Wastewater Management
5. Terrestrial and Aquatic Biodiversity Conservation
6. Clean Transportation
7. Eco-efficient and Circular Economy-adapted Products, Production Technologies and Processes
8. Environmentally sustainable management of living natural resources and land use
9. Access to Essential Services – Education
10. Affordable Housing

Pacific Life engaged Sustainalytics to review the Framework and provide a Second-Party Opinion on the Framework’s environmental and social credentials and its alignment with the Sustainability Bond Guidelines 2021 (SBG), Green Bond Principles 2021 (GBP) and Social Bond Principles 2023 (SBP).<sup>7</sup> The Framework has been published in a separate document.<sup>8</sup>

### Scope of work and limitations of Sustainalytics’ Second-Party Opinion

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent<sup>9</sup> opinion on the alignment of the reviewed Framework with current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework’s alignment with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, and Social Bond Principles 2023, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds;
- Alignment of the use of proceeds criteria with the SC criteria and alignment with the Minimum Safeguards of the EU Taxonomy;
- The alignment of the issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

<sup>3</sup> Pacific Life, “Pacific Life Annual Report 2023”, at: [https://www.pacificlife.com/crp/public/financials/2023\\_AR.pdf](https://www.pacificlife.com/crp/public/financials/2023_AR.pdf)

<sup>4</sup> Pacific Life’s subsidiaries also include its affiliates, including Pacific Life & Annuity Company, Pacific Life Global Funding II, and Pacific Life Short Term Funding, LLC. Pacific Life has confirmed to Sustainalytics that it will be responsible for ensuring continual alignment of issuances by its subsidiaries with the criteria defined in the Framework.

<sup>5</sup> For funding agreement backed notes and commercial papers, Pacific Life has communicated to Sustainalytics that: i) it will only issue secured standard bonds under the Framework, as per the voluntary process guidelines published in the June 2022 Appendix 1 of the GBP 2021; ii) the Company will ensure that all proceeds will be allocated to credible assets meeting the criteria in the Framework; and iii) there will be no double counting of eligible projects under the secured standard bond and any other outstanding labelled instruments.

<sup>6</sup> Sustainalytics has reviewed the criteria for just those financial instruments that are specified in the Framework.

<sup>7</sup> The Sustainability Bond Guidelines, Green Bond Principles, and Social Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/>

<sup>8</sup> The Pacific Life Sustainable Financing Framework is available on Pacific Life’s website at: <http://www.pacificlife.com/sustainablebonds>

<sup>9</sup> When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.16, which is informed by market practice and Sustainalytics' expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Pacific Life's management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Pacific Life representatives have confirmed (1) they understand it is the sole responsibility of Pacific Life to ensure that the information provided is complete, accurate and up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Pacific Life.

Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond and loan proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond and loan proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Pacific Life has made available to Sustainalytics for the purpose of this Second-Party Opinion.

## **Sustainalytics' Opinion**

### **Section 1: Sustainalytics' Opinion on the Pacific Life Sustainable Financing Framework**

Sustainalytics is of the opinion that the Pacific Life Sustainable Financing Framework is credible and impactful, and aligns with the four core components of the GBP and SBP. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
  - The eligible categories – Green Buildings; Renewable Energy; Energy Efficiency; Sustainable Water and Wastewater Management; Terrestrial and Aquatic Biodiversity Conservation; Clean Transportation; Eco-efficient and Circular Economy-adapted Products, Production Technologies and Processes; Environmentally Sustainable Management of Living Natural Resources and Land Use; Access to Essential Services – Education; and Affordable Housing – are aligned with those recognized by the GBP and SBP.
  - Pacific Life has defined a look-back period of 24 months for refinancing activities. Sustainalytics considers to be in line with market practice.
  - Under the Green Buildings category, Pacific Life may finance or refinance the design, development, construction, materials and equipment, and certification costs of real estate projects that have received or are expected to receive the following third-party certifications: i) BREEAM (Excellent or above);<sup>10</sup> ii) Energy Star (85 and above) for commercial buildings only;<sup>11</sup> or iii) LEED (Gold or Platinum).<sup>12</sup> Sustainalytics views the selected certifications as credible and eligibility levels to be aligned with market practice.

<sup>10</sup> BREEAM: <https://bregroup.com/products/breeam/>

<sup>11</sup> Energy Star: [https://www.energystar.gov/buildings/building\\_recognition/building\\_certification](https://www.energystar.gov/buildings/building_recognition/building_certification)

<sup>12</sup> LEED: <https://www.usgbc.org/leed>

- Under the Renewable Energy category, the Company may invest in the following types of renewable energy projects: i) onshore and offshore wind; ii) solar photovoltaic technology; iii) hydropower facilities; and iv) tidal power.
  - Sustainalytics notes that hydropower facilities will include: i) small-scale run-of-the-river plants; ii) facilities operational before 2019 with a power density greater than 5 W/m<sup>2</sup> and iii) facilities that will become or became operational after 2019 with a power density greater than 10 W/m<sup>2</sup>. Sustainalytics further notes that each hydropower project will have an environmental and social risk assessment performed by a third party. Pacific Life has also communicated that hydropower projects associated with significant environmental and social controversies will be excluded from the Framework.
  - Sustainalytics considers investments in this category to be aligned with market practice.
- Under the Energy Efficiency category, Pacific Life may finance or refinance projects and technologies to enable the reduction of energy consumption and emissions within the Company's own operations, including:
  - The installation of controls and energy monitoring equipment, retrofits to HVAC systems, lighting retrofits, smart thermostats, efficient reflective roofs and the replacement of hardware at least 30% more energy efficient than existing hardware and certified to be energy efficient, such as through Energy Star.<sup>13</sup>
  - Investments in smart grids and smart metering for the monitoring and optimization of the energy consumption of energy distribution networks, with a focus on solar and wind power penetration. Despite the variety of definitions and applications of smart grid technology, Sustainalytics views positively investments that are designed to improve grid efficiency and encourages Pacific Life to select projects that are clearly anticipated to deliver tangible efficiency improvements.
  - Pacific Life has communicated to Sustainalytics that technologies that use fossil fuels, such as boilers and smart gas meters will be excluded from the Framework's eligibility criteria.
  - Sustainalytics views investments in this category to be aligned with market practice.
- Under the Sustainable Water and Wastewater Management category, Pacific Life may finance or refinance the following:
  - Construction and maintenance of municipal wastewater treatment systems, water reuse and recycling activities for rainwater and wastewater. Pacific Life has confirmed to Sustainalytics that the treatment of water from or for fossil fuel-driven processes is excluded from financing under the Framework.
  - Construction of desalination plants powered by renewable energy. Pacific Life has communicated that the Framework limits financing to facilities that have an environmental risk mitigation strategy to ensure appropriate brine disposal.
  - Low-flow fixtures to improve water efficiency.
  - Infrastructure for water capture and storage, as well as conservation and restoration projects to reduce pressure on surface and ground water. Projects financed include:
    - Water capture and storage infrastructure, such as aquifers, rainwater harvesting systems and groundwater recharge systems, as communicated by Pacific Life to Sustainalytics.
    - Conservation and restoration projects limited to green roofs, as per confirmation by Pacific Life.
    - Pacific Life has further confirmed that technology and software that depend on fossil fuels or are applied in hard-to-abate industries will be excluded from financing under this activity.
  - Early warning systems, such as stormwater and floodwater warning systems, as well as infrastructure projects for flood prevention and defence, and stormwater management. Pacific Life has communicated to Sustainalytics that only infrastructure projects subjected to an environmental assessment entailing a vulnerability assessment and an adaptation plan will be financed under the Framework.

<sup>13</sup> The Framework cites specifically Energy Star as a certification that may be used. Sustainalytics considers Energy Star to be a credible standard.

- Sustainalytics considers investments under this category to be aligned with market practice.
- Under the Terrestrial and Aquatic Biodiversity Conservation category, Pacific Life may finance or refinance investments aimed at the preservation and conservation of marine mammals, including: i) investments in facilities and infrastructure to preserve marine mammal species and their environment; and ii) investments in projects for the preservation or restoration of coastal and marine landscapes. The Company has further confirmed that use of agrochemicals (herbicides or insecticides) to control or eradicate invasive plants or insects and hunting, trapping, poisoning and culling of vertebrate animals considered as pests will be excluded from financing. Sustainalytics considers investments in this category to be aligned with market practice.
- Under the Clean Transportation category, Pacific Life may finance or refinance electric vehicle charging stations, and clean mass transportation, such as zero-emission electric buses and rail. The Company has communicated that it will not finance parking facilities. Sustainalytics considers investments under this category to be aligned with market practice.
- Under Eco-efficient and Circular Economy-adapted Products, Production Technologies and Processes, the Company may finance or refinance the development, construction, operation and maintenance of collection, sorting and material recovery and recycling facilities.
  - Pacific Life has communicated to Sustainalytics that collection vehicles, if financed, would be either electric or have an emissions intensity below 25 gCO<sub>2</sub>/tkm.
  - Pacific Life has further confirmed that all facilities financed will support source segregation of waste. Recycling facilities will support only the recycling of aluminium and the mechanical recycling of plastic.
  - Material recovery facilities will include waste-to-energy generation using mixed residual waste and segregated recyclables prior to incineration. Sustainalytics recognizes that energy from waste could take out of circulation potentially recyclable materials and undermine two of the main objectives of a zero-waste circular economy, i.e. waste prevention and recycling. Additionally, the composition of residual waste is a crucial consideration for such projects to have low emissions intensities, particularly fossil carbon content. However, Sustainalytics also notes that energy from waste can offer a better residual waste management option than landfills in many cases due to constraints on recycling in many parts of the world. Sustainalytics recommends Pacific Life to promote the removal of increasing amounts of recyclables, especially plastics and metals, and the monitoring of thermal efficiency of the financed facilities.
  - For recycling and material recovery facilities, Pacific Life has confirmed to Sustainalytics that plastics, rubber and tire-derived fuels will not be incinerated for energy or fuel conversion.
  - Sustainalytics considers investments in this category to be aligned with market practice.
- Under Environmentally Sustainable Management of Living Natural Resources and Land Use, Pacific Life may finance or refinance the following expenditures:
  - Agriculture and fisheries assets certified by USDA Organic,<sup>14</sup> EU Organic,<sup>15</sup> Marine Stewardship Council (MSC)<sup>16</sup> or Rainforest Alliance;<sup>17</sup> and forestry assets certified by the Forest Stewardship Council (FSC),<sup>18</sup> Programme for the Endorsement of Forest Certification (PEFC)<sup>19</sup> or Sustainable Forestry Initiative (SFI).<sup>20</sup> The Company has communicated to Sustainalytics that agricultural assets financed under the Framework will exclude industrial livestock units.
  - Climate-smart inputs, such as biological crop protection and drip-irrigation. The Company has communicated to Sustainalytics that the climate-smart inputs will not be implemented on industrial-scale livestock units.

<sup>14</sup> USDA Organic: <https://www.usda.gov/topics/organic>

<sup>15</sup> EU Organic: [https://agriculture.ec.europa.eu/farming/organic-farming/organic-logo\\_en](https://agriculture.ec.europa.eu/farming/organic-farming/organic-logo_en)

<sup>16</sup> MSC: <https://www.msc.org/standards-and-certification/fisheries-standard>

<sup>17</sup> Rainforest Alliance: <https://www.rainforest-alliance.org/for-business/2020-certification-program/>

<sup>18</sup> FSC: <https://ca.fsc.org/ca-en/what-is-fsc/fsc-certified-forests>

<sup>19</sup> PEFC: <https://www.pefc.org/standards-implementation>

<sup>20</sup> SFI: <https://forests.org/>

- Preservation and restoration of natural landscapes. Pacific Life has communicated to Sustainalytics that the reforestation projects will use tree species that are well adapted to site conditions and only projects supported by a sustainable management plan certified to FSC or PEFC will be eligible under the Framework.
  - Sustainalytics considers investments under this category to be aligned with market practice.
- Under the Access to Essential Services - Education category, Pacific Life may finance or refinance student loans and the development of infrastructure for the provision of child, youth or adult education and vocational training services. Target populations include youth and students from under-represented communities,<sup>21</sup> people with disabilities, rural populations<sup>22,23</sup> and low-income households.<sup>24</sup>
  - For all student loans under the Framework, Pacific Life intends to ensure accessibility and affordability by financing student loans that offer income-contingent repayment options. Sustainalytics highlights the mechanisms to alleviate credit constraints for students. Pacific Life has communicated to Sustainalytics that it has processes to mitigate the risk of predatory lending. For additional details, see Section 2.
  - For the provision of educational and vocational training services, Pacific Life will finance private and public education facilities. Eligible private facilities will be free or subsidized for the target population to ensure access regardless of ability to pay.
  - Based on the above, Sustainalytics considers investments under this category to be socially impactful.
- Under the Affordable Housing category, the Company may finance or refinance projects that offer rentals for multifamily housing to households that earn less than 80% of the area median income (AMI) and households that earn less than 120% of the AMI for properties located in high-cost areas.<sup>25,26</sup> Pacific Life has confirmed to Sustainalytics that eligible projects will have rent caps in place to ensure that rent does not exceed 30% of the household income levels. Although social finance related to affordable housing typically focuses on income earners at 80% of AMI or lower, Sustainalytics recognizes the potential positive impacts of expanding housing options for middle-income households in high-cost markets and therefore considers the thresholds selected to be aligned with good practice.
- Pacific Life has provided a list of activities excluded from financing under the Framework. Sustainalytics views the exclusion of activities that have potential negative environmental or social impacts, such as activities related to the exploration, production or transportation of fossil fuels, to further strengthen the Framework.
- Project Evaluation and Selection:
  - Pacific Life's Sustainable Financing Steering Committee will be responsible for reviewing and selecting eligible projects. The committee is composed of members from Pacific Life's Institutional Capital Markets Group (CMG), Investment Management, Commercial Real Estate, Law Department, Corporate Affairs and Brand Management, . The CMG will be responsible for providing final approval.
  - Pacific Life has adopted internal processes to address environmental and social risks commonly associated with the financed projects. For additional details, see Section 2.

<sup>21</sup> The Framework identifies under-represented communities as Black, Brown and Latinx communities.

<sup>22</sup> Defined per the USDA Rural Development Standard as areas where the population size is 50,000 people or fewer. Factors include distance from metropolitan areas, federal agency funding flexibility, limitations in the range of economic activities supporting the local economy and overall local resource availability.

US Department of Agriculture, "What is Rural?", at: <https://www.ers.usda.gov/topics/rural-economy-population/rural-classifications/what-is-rural/>

<sup>23</sup> College students from rural backgrounds accumulate 60% more student debt by the age of 25 compared to those in suburban and urban areas. This gap is 25% larger than the debt disparity between men and women. As a result, two-thirds of students most burdened by debt leave rural areas within one year of entering repayment.

Rhodes, A. (2021), "Student Debt and Geographic Disadvantage: Disparities by Rural, Suburban, and Urban Background", Rural Sociology, at: <https://onlinelibrary.wiley.com/doi/10.1111/ruso.12403>

<sup>24</sup> Defined as households that earn under 80% of the area median income (AMI).

<sup>25</sup> Households earning under 80% and 120% of the AMI are defined by the US Department of Housing and Urban Development. US Department of Housing and Urban Development, Office of Policy Development and Research, "Income Limits", at: <https://www.huduser.gov/portal/datasets/il.html>

<sup>26</sup> High-cost areas are defined by the HUD and Federal Housing Finance Agency.

US Department of Housing and Urban Development, "Mortgage Letter 2023-07", (2023), at: <https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-07hsgml.pdf>



- Based on the governance structure with cross-divisional membership, Sustainalytics considers Pacific Life's evaluation and selection process to be in line with market practice.
- Management of Proceeds:
  - Pacific Life will track allocation of proceeds through an internal register overseen by the CMG. Pacific Life intends to allocate net proceeds within the first 24 months of issuance. The Framework specifies that the payment of principal and interest on eligible financing will be made from the Company's general funds and will not be directly linked to any eligible projects' performance.
  - Pending full allocation, an amount equal to the balance of proceeds will be invested in accordance with the Company's internal liquidity portfolio guidelines or in cash, cash equivalents or US Treasury securities.
  - Based on the use of a formal ledger and the disclosure of the temporary use of proceeds, Sustainalytics considers this process to be in line with market practice.
- Reporting:
  - Pacific Life will provide a standalone annual allocation and impact report to be renewed until the full allocation of each issuance. The report will be made publicly available on Pacific Life's website.
  - Allocation reporting will include management's assertion that the use of proceeds complies with the Framework, amount allocated to projects presented in aggregation based on eligible categories, amount of unallocated net proceeds and share of financing versus refinancing. Pacific Life will also disclose one or more examples of eligible assets financed, in whole or in part, by the proceeds obtained from proceeds, including general details (brief description, location and stage, i.e. construction or operation) for each eligible category where feasible and subject to confidentiality considerations.
  - Impact reporting will include, where feasible, metrics such as: i) green building certifications and the total number of buildings certified; ii) renewable energy procured and produced (in MWh); iii) emissions avoided or reduced (in tCO<sub>2</sub>e); iv) energy savings (in MWh); v) volume of water consumption avoided or reduced; vi) miles protected from bottom trawling; vii) number of students or youth receiving education support; and viii) rental costs compared to the national or regional rent index.
  - Based on the commitment to both allocation and impact reporting, Sustainalytics considers this process to be in line with market practice.

### **Alignment with Sustainability Bond Guidelines 2021**

Sustainalytics has determined that the Pacific Life Sustainable Financing Framework aligns with the four core components of the GBP and SBP.

### **Alignment with the EU Taxonomy**

Sustainalytics has assessed each of the Framework's eligible use of proceeds criteria against the relevant criteria in the EU Taxonomy. For SC, please see Table 1. For Minimum Safeguards, please see below.

Table 1 provides an overview of the alignment of Pacific Life's Framework with the applicable SC criteria of the EU Taxonomy.

**Table 1: Summary of Alignment of Framework Criteria with the EU Taxonomy**

EU Taxonomy Activities corresponding to Framework Criterion	Alignment with Technical Screening Criteria <sup>27</sup>	Alignment per EU Environmental Objective
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<sup>27</sup> Sustainalytics notes that Pacific Life has not yet identified projects related to activities 7.3, 3.20, 5.4, 5.13, 5.1, 14.2, 1.4 and 1.2 of the EU Taxonomy Climate Delegated Act and activities 1.1, 2.3 of the EU Taxonomy Environmental Delegated Act but intends to comply with the applicable EU Taxonomy SC criteria. However, considering that most of the projects will be in the US and the Company is unable to share detailed information at this stage to demonstrate adherence with the applicable SC criteria, Sustainalytics has assessed these activities as not aligned with the applicable SC criteria.

	SC	DN <sup>SH</sup>	Mitigation	Adaptation	Water	Circular Economy	Pollution	Eco-systems
7.1 Construction of new buildings	☒	*						
4.1 Electricity generation using solar photovoltaic technology	■	*						
4.3 Electricity generation from wind power	■	*						
4.4 Electricity generation from ocean energy technologies	■	*						
4.5 Electricity generation from hydropower	■	*						
7.3 Installation, maintenance and repair of energy efficiency equipment	☒	*						
3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution	☒	*						
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	■	*						
5.3 Construction, extension and operation of wastewater collection and treatment	■	*						
5.4 Renewal of wastewater collection and treatment	☒	*						
5.13. Desalination	☒	*						
2.3. Sustainable urban drainage systems (SUDS)	☒	*						
5.1. Construction, extension and operation of water collection, treatment and supply systems	☒	*						
14.2. Flood risk prevention and protection infrastructure	☒	*						
1.1. Conservation, including restoration, of habitats, ecosystems and species contribution to biodiversity	☒	*						
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	■	*						
6.3 Urban and suburban transport, road passenger transport	■	*						
6.1 Passenger interurban rail transport	■	*						
5.5. Collection and transport of non-hazardous waste in source segregated fractions	■	*						
5.9. Material recovery from non-hazardous waste	■	*						
1.4 Conservation Forestry	☒	*						
1.2 Rehabilitation and restoration of forests, including reforestation and natural forest regeneration after an extreme event	☒	*						



Legend	
Aligned	■
Partially aligned	▣
Not aligned	☒
Not applicable	—
Not assessed	*
Grey shading indicates the primary EU Environmental Objective	

### Alignment with the EU Taxonomy's Minimum Safeguards

The EU Taxonomy recommends that companies have policies aligned with international and regional guidelines and regulations pertaining to human rights, labour rights, and combating bribery and corruption. Specifically, activities should be carried out in alignment with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Additionally, companies should be in compliance with the International Labour Organisation's (ILO) declaration on Fundamental Rights and Principles at Work.

Based on a consideration of the policies and management systems applicable to Framework criteria, as well as the regulatory context in which financing will occur, Sustainalytics is of the opinion that the EU Taxonomy's Minimum Safeguards requirements will be met.

### Human and Labour Rights

Pacific Life has implemented the following policies and procedures regarding human and labour rights:

- Pacific Life's Human Rights Policy<sup>28</sup> follows the United Nation's Universal Declaration of Human Rights and is applicable to the Company's employees, suppliers and distributors, and other stakeholders. The policy also prevents the Company from doing business in an industry or in jurisdictions where the risks of forced labour and human trafficking are high. Furthermore, the Company prohibits the use of all forms of forced labour, including prison labour, indentured labour, bonded labour, military labour, modern forms of slavery and any form of human trafficking. Pacific Life provides regular training to its employees on its Human Rights Policy, in addition to an annual certification process.
- Pacific Life's Code of Conduct<sup>29</sup> combined with its Preventing Harassment, Discrimination and Retaliation Policy<sup>30</sup> prohibit discrimination and unlawful harassment among employees, including its subsidiaries and affiliates, as well as third parties (such as vendors, customers, independent contractors and applicants) Pacific Life's policies mandate the Company to take appropriate remedial action in the event of a misconduct, including counselling, verbal or written warning, and termination of employment. Pacific Life relies on its Third-Party Code of Business Conduct<sup>31</sup> to require its business partners to comply with the Company's policies and procedures, such as the Human Rights Policy and the Preventing Harassment, Discrimination and Retaliation Policy. The Company also has standard customer due diligence (CDD) and enhanced due diligence (EDD) processes. These due diligence processes screen for issues involving corruption, human rights and labour rights violations.

Sustainalytics has not detected involvement in any relevant controversies that would suggest that the above policies are not being implemented effectively. Sustainalytics is of the opinion that these measures appropriately safeguard minimum standards on human and labour rights in relation to the activities of the Framework.

### Anti-bribery and anti-corruption

Pacific Life has implemented the following anti-bribery and anti-corruption policies and procedures:

<sup>28</sup> Pacific Life, "Human Rights Policy", (2021) at: <https://www.pacificlife.com/home/privacy-and-other-policies/human-rights-policy.html>

<sup>29</sup> Pacific Life, "Code of Conduct", (2022) at:

[https://www.pacificlife.com/content/dam/pacli/crp/public/compliance-and-ethics/codeofconduct\\_external.pdf](https://www.pacificlife.com/content/dam/pacli/crp/public/compliance-and-ethics/codeofconduct_external.pdf)

<sup>30</sup> Pacific Life, "Preventing Harassment, Discrimination and Retaliation Policy", (2022) at:

[https://www.pacificlife.com/content/dam/pacli/crp/public/compliance-and-ethics/Preventing-Harassment\\_2022.pdf](https://www.pacificlife.com/content/dam/pacli/crp/public/compliance-and-ethics/Preventing-Harassment_2022.pdf)

<sup>31</sup> Pacific Life, "Third Party Code of Business Conduct", (2024), at: <https://www.pacificlife.com/home/about/third-party-code-of-business-conduct.html>

- Pacific Life relies on its Gifts and Anti-Bribery Policy<sup>32</sup> and its Code of Conduct to provide detailed guidance on what the Company views to be ethically unacceptable and the process to report violations. Pacific Life follows local laws related to anti-bribery and corruption, including the United States Foreign Corrupt Practices Act and the United Kingdom Bribery Act as well as other commercial bribery laws, where relevant.
- As outlined in the Third Party Code of Business Conduct, any third party that is working with Pacific Life is required to comply with all applicable laws, rules, regulations and treaties, including but not limited to laws related to anti-money laundering, anti-bribery, competition, business conduct, privacy and data protection and labour and employment. The Company also screens the third-party contract policy with respect to their involvement in criminal activities including bribery and corruption.

Sustainalytics has not detected involvement in any relevant controversies that would suggest that the above policies are not being implemented effectively. Sustainalytics is of the opinion that these measures appropriately safeguard anti-bribery and anti-corruption in relation to the activities of the Framework. Based on these policies, standards and assessments, Sustainalytics is of the opinion that Pacific Life's policies, guidelines and commitments are sufficient to demonstrate that the activities and projects to be financed under the Framework will be carried out in alignment with the EU Taxonomy's Minimum Safeguards.

## Section 2: Sustainability Strategy of Pacific Life

### Contribution to Pacific Life's sustainability strategy

Pacific Life's sustainability commitments focus on four key environmental and social pillars: i) people; ii) communities; iii) customers; and iv) environment. Pacific Life's commitment to sustainability is supported by its Environmental Policy<sup>33</sup> and the Responsible Investment Policy.<sup>34</sup>

Pacific Life's environmental efforts focus on the monitoring and mitigation of external environmental impacts, investing in companies that advance the transition to clean energy, reporting on scope 1 and 2 GHG emissions as per the TCFD recommendations annually from 2022, promoting environmentally friendly behaviours in the workplace, and emphasizing investments in environmental projects, such as energy efficiency and renewable energy.<sup>35</sup> Additionally, Pacific Life has invested USD 16.9 billion in assets related to socially responsible efforts in underserved and low-income communities, including USD 1.8 billion committed toward renewable energy investments, such as solar, wind, natural gas, geothermal and hydro energy.<sup>36</sup> Pacific Life is committed to spend USD 6 million on financial security and education initiatives through 2029, and has invested USD 17.9 million in the preservation and conservation of marine mammals and ocean health, as of 2023.<sup>37</sup>

Sustainalytics is of the opinion that the Framework is aligned with the Company's overall sustainability strategy and initiatives and will further the Company's actions on its key environmental and social priorities. Nonetheless, Sustainalytics encourages Pacific Life to develop quantified and time-bound targets related to its activities to support its sustainability strategy, and publicly disclose and report on its progress towards these goals.

### Approach to managing social and environmental risks associated with the projects

Sustainalytics recognizes that the proceeds from instruments issued under the Framework will be directed towards eligible projects that are expected to have positive environmental and social impacts. However, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks possibly associated with the eligible projects could include issues related to: i) emissions, effluents and waste generated in construction; ii) land use and biodiversity loss associated with large-scale infrastructure development; iii) occupational health and safety; iv) community engagement, v) business ethics and predatory lending. Sustainalytics notes that Pacific Life plays a limited role in the development of projects and the assets being financed, but it remains exposed to risks associated with projects it may finance by offering financial services.

<sup>32</sup> Pacific Life, "Gifts & Anti-Bribery Policy", (2022), at:

<https://www.pacificlife.com/content/dam/pacliife/crp/public/compliance-and-ethics/anti-bribery.pdf>

<sup>33</sup> Pacific Life, "Environmental Policy", (2022), at: <https://www.pacificlife.com/home/privacy-and-other-policies/environmental-policy.html>

<sup>34</sup> Pacific Life, "Pacific Life's Responsible Investment Policy", (2022), at: <https://www.pacificlife.com/home/corporate-social-responsibility/responsible-investment-policy.html>

<sup>35</sup> Pacific Life, "Environmental Policy", (2022), at: <https://www.pacificlife.com/home/privacy-and-other-policies/environmental-policy.html>

<sup>36</sup> Pacific Life, "Annual Report 2023", at:

[https://www.pacificlife.com/crp/public/financials/2023\\_AR.pdf](https://www.pacificlife.com/crp/public/financials/2023_AR.pdf)

<sup>37</sup> Ibid.

Sustainalytics is of the opinion that Pacific Life is able to manage or mitigate potential risks through the implementation of the following:

- In relation to its investment practices, Pacific Life has a Responsible Investment Policy<sup>38</sup> through which it incorporates ESG factors into the decision-making process. This is done by collecting ESG data and developing a score for all potential investments, monitoring the scores on an ongoing basis and excluding investments that do not meet its ESG criteria. Pacific Life further monitors climate risk for all existing and future investments and provides disclosures in line with the TCFD recommendations.
- Sustainalytics notes that the eligible projects financed under the Framework will be primarily located in the US which has laws and regulations to address some of the above risks. For example, the Resource Conservation and Recovery Act guide the management of hazardous and non-hazardous waste,<sup>39</sup> and the Occupational Safety and Health Act of 1970 requires employers to provide employees with safe and healthy working environments.<sup>40</sup>
- To address risks related to large-scale infrastructure development such as waste generated during construction, land use and biodiversity issues, occupational health and safety and community engagement, Pacific Life follows all the environmental legislation and regulations in the jurisdictions where it operates, under its Environmental Policy.<sup>41</sup> Pacific Life has confirmed to Sustainalytics that it has processes to ensure that the financed projects comply with applicable environmental as well as health and safety laws. As part of its due diligence processes, Pacific Life verifies entitlements and zoning approvals and conducts wetland surveys where relevant. The Company further requires investees to conduct environmental assessments prior to construction or development, have ongoing monitoring to identify and mitigate risks as well as have a proper disposal of construction waste.
- Regarding community engagement, the Company has communicated that it has internal guidance and procedures to mitigate community relations-related risks.
- Pacific Life has adopted a Code of Conduct<sup>42</sup> that mandates ethical behaviour among its employees regarding conflicts of interest, anti-bribery, fraud or theft, fair dealing, confidentiality of information and anti-competitive practices. Pacific Life has communicated to Sustainalytics that for financed projects, it has know your customer processes.
- Pacific Life has communicated that it has a process in place to mitigate and manage risks related to predatory lending, which includes ensuring that the Company and its subsidiaries comply with all consumer finance protection laws and regulations in all jurisdictions where it operates. The Company has further communicated to Sustainalytics that it does not have a formal responsible lending policy, but it is committed to ensuring transparent terms and conditions when originating or investing in student loans under the Framework.
- The US is also recognized as a Designated Country by the Equator Principles, indicating the presence of robust environment and social governance systems, legislation and institutional capacity for protecting the environment and communities.<sup>43</sup>

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Pacific Life has adequate measures to manage and mitigate environmental and social risks commonly associated with the eligible categories.

### Section 3: Impact of Use of Proceeds

All use of proceeds categories are aligned with those recognized by the SBP and GBP. Sustainalytics has focused on two below where the impact is specifically relevant in the local context.

<sup>38</sup> Pacific Life, "Pacific Life's Responsible Investment Policy", (2022), at: <https://www.pacificlife.com/home/corporate-social-responsibility/responsible-investment-policy.html>

<sup>39</sup> US Environmental Protection Agency, "Regulatory Information by Topic: Waste", at: <https://www.epa.gov/regulatory-information-topic/regulatory-and-guidance-information-topic-waste>

<sup>40</sup> US Department of Labor, "OSHA of 1970", at: <https://www.osha.gov/laws-regs/oshact/toc>

<sup>41</sup> Pacific Life, "Environmental Policy", (2022), at: <https://www.pacificlife.com/home/privacy-and-other-policies/environmental-policy.html>

<sup>42</sup> Pacific Life, "Code of Conduct", (2022) at: [https://www.pacificlife.com/content/dam/pacificlife/crp/public/compliance-and-ethics/codeofconduct\\_external.pdf](https://www.pacificlife.com/content/dam/pacificlife/crp/public/compliance-and-ethics/codeofconduct_external.pdf)

<sup>43</sup> Equator Principles, "About the Equator Principles", at: <https://equator-principles.com/about-the-equator-principles/>

### Importance of green buildings in the US

In 2022, the buildings sector accounted for 34% of global energy demand and 37% of the total energy and process-related CO<sub>2</sub> emissions.<sup>44</sup> In the US, buildings were responsible for 36.9% of the country's total energy consumption, with the residential and commercial buildings sectors representing 19.7% and 17.2% of energy consumption, respectively, in 2023.<sup>45</sup> Furthermore, in 2023, residential and commercial buildings accounted for 34% of the US' total CO<sub>2</sub> emissions from energy consumption.<sup>46</sup>

Under its Nationally Determined Contribution to the Paris Agreement, the US has committed to reducing GHG emissions by 50-52% by 2030 versus a 2005 baseline and achieving carbon neutrality by 2050.<sup>47</sup> As part of this commitment, the US federal government announced the Climate Smart Buildings Initiative in August 2022, which aims to bring in more than USD 8 billion of private-sector investments in energy efficiency projects and achieve up to 2.8 million tonnes of GHG emissions reductions annually by 2030.<sup>48</sup> In 2023, the US Department of Energy announced that it will award up to USD 22 million in funding to accelerate building upgrades.<sup>49</sup> Furthermore, the White House announced in 2021 the launch of the Building Performance Standards Coalition in part to support energy-efficient buildings.<sup>50</sup> In order to achieve energy innovation in the buildings sector, the Department of Energy has also designed the Better Buildings Initiative to encourage public and private organizations to improve the energy efficiency of their portfolios through a series of programmes and partnerships.<sup>51,52</sup>

Based on the above, Sustainalytics is of the opinion that the eligible projects financed under the Framework have the potential to contribute to the reduction of emissions from the built environment in the US and more broadly to the country's GHG emissions reduction targets.

### Importance of affordable housing investments in the US

Approximately 653,100 people in the US in 2023 were homeless, an increase of 14.2% in people experiencing unsheltered homelessness from 2020.<sup>53</sup> The lack of affordable housing is a major issue particularly for low-income renters, who are often one financial shock away from homelessness.<sup>54</sup> Approximately 11 million renter households in the US have extremely low incomes, while only 7.3 million affordable homes are available to them.<sup>55</sup> The shortage of affordable housing forces many low-income households to rent homes beyond their affordability, making them severely cost burdened.<sup>56</sup> According to the National Low Income Housing Coalition, 11.7 million renter households spend more than 50% of their income on housing costs, and 69% of these severely cost-burdened renter households were extremely low-income households in 2022.<sup>57</sup> The lack of affordable housing further leads to negative social outcomes across multiple other dimensions of daily life, as families and individuals are compelled to make trade-offs between spending on rent and other essentials, such as food, healthcare and transport.<sup>58</sup>

The US has implemented measures to address the severe housing shortage in the country. In 2024, the US federal government announced the allocation of USD 214 million under the US Housing Trust Fund, an annual

<sup>44</sup> Global Alliance for Buildings and Construction, "Global Status Report for Buildings and Construction – Beyond Foundations", (2024), at: [https://wedocs.unep.org/bitstream/handle/20.500.11822/45095/global\\_status\\_report\\_buildings\\_construction\\_2023.pdf?sequence=3&isAllowed=y](https://wedocs.unep.org/bitstream/handle/20.500.11822/45095/global_status_report_buildings_construction_2023.pdf?sequence=3&isAllowed=y)

<sup>45</sup> US Energy Information Administration, "How much energy is consumed in U.S. building?", (2024), at: <https://www.eia.gov/tools/faqs/faq.php?id=86&t=1>

<sup>46</sup> US Energy Information Administration, "U.S. CO<sub>2</sub> emissions from energy consumption by source and sector, 2023", (2023), at: [https://www.eia.gov/totalenergy/data/monthly/pdf/flow/CO2\\_emissions\\_2023.pdf](https://www.eia.gov/totalenergy/data/monthly/pdf/flow/CO2_emissions_2023.pdf)

<sup>47</sup> US Department of Energy, "U.S. Nationally Determined Contribution", (2021), at: <https://www.energy.gov/policy/articles/us-nationally-determined-contribution>

<sup>48</sup> The White House, "FACT SHEET: White House Takes Action on Climate by Accelerating Energy Efficiency Projects Across Federal Government", (2022), at: <https://www.whitehouse.gov/briefing-room/statements-releases/2022/08/03/fact-sheet-white-house-takes-action-on-climate-by-accelerating-energy-efficiency-projects-across-federal-government/>

<sup>49</sup> US Department of Energy, Office of Energy Efficiency & Renewable Energy, "U.S. Department of Energy Announces the Buildings Upgrade Prize", (2023), at: <https://www.energy.gov/eere/articles/us-department-energy-announces-buildings-upgrade-prize>

<sup>50</sup> The White House, "FACT SHEET: Biden-Harris Administration Launches Coalition of States and Local Governments to Strengthen Building Performance Standards", (2022), at: <https://www.whitehouse.gov/briefing-room/statements-releases/2022/01/21/fact-sheet-biden-harris-administration-launches-coalition-of-states-and-local-governments-to-strengthen-building-performance-standards/>

<sup>51</sup> US Department of Energy, "Better Buildings Initiative", at: <https://betterbuildingssolutioncenter.energy.gov/>

<sup>52</sup> US Department of Energy, "Better Buildings Programs & Partners", at: <https://betterbuildingssolutioncenter.energy.gov/partnerships>

<sup>53</sup> US Department of Housing and Urban Development, "The 2023 Annual Homeless Assessment Report (AHAR) to Congress", (2022), at: <https://www.huduser.gov/portal/sites/default/files/pdf/2023-AHAR-Part-1.pdf>

<sup>54</sup> US Department of Housing and Urban Development, "Worst Case Housing Needs: 2021 Report to Congress", (2021), at: <https://www.huduser.gov/PORTAL/sites/default/files/pdf/Worst-Case-Housing-Needs-2021.pdf>

<sup>55</sup> National Low Income Housing Coalition, "The Gap: A Shortage of Affordable Homes", (2024), at: <https://nlihc.org/gap>

<sup>56</sup> Ibid.

<sup>57</sup> Ibid.

<sup>58</sup> Joint Center for Housing Studies of Harvard University, "The State of the Nation's Housing 2021", at: [https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard\\_JCHS\\_State\\_Nations\\_Housing\\_2021.pdf](https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_State_Nations_Housing_2021.pdf)

grant to states to produce and preserve affordable housing for households with extremely low and low income, to increase affordable housing supplies.<sup>59,60</sup> In addition, under the American Rescue Plan of 2021,<sup>61,62</sup> the federal government has invested USD 63 billion across the State and Local Fiscal Recovery, Homeowner Assistance Fund and Emergency Rental Assistant programmes as of October 2023. The funds are aimed at improving eviction and foreclosure prevention efforts, maintaining housing stability and expanding the supply of affordable housing.<sup>63</sup>

In this context and considering the eligibility thresholds used by Pacific Life, Sustainalytics is of the opinion the affordable housing projects financed under the Framework have the potential to create a positive social impact among the target populations in the US.

#### Contribution to SDGs

The Sustainable Development Goals were adopted in September 2015 by the United Nations General Assembly and form part of an agenda for achieving sustainable development by 2030. The instruments issued under the Pacific Life Sustainable Financing Framework are expected to help advance the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Green Buildings	9. Industry, Innovation and Infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
Renewable Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
Energy Efficiency	7. Affordable and Clean Energy	7.3 By 2030, double the global rate of improvement in energy efficiency
Sustainable Water and Wastewater Management	6. Clean Water and Sanitation	6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally
Terrestrial and Aquatic Biodiversity	14. Life below water	14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution
Clean Transportation	11. Sustainable Cities and Communities	11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons

<sup>59</sup> The White House, "FACT SHEET: Vice President Harris Announces \$5.5 Billion to Boost Affordable Housing, Invest in Economic Growth, Build Wealth, and Address Homelessness in Communities Throughout America", (2024), at: <https://www.hudexchange.info/programs/htf/>

<sup>60</sup> US Department of Housing and Urban Development, "Biden-Harris Administration Announces \$5.5 Billion in Grants for Affordable Housing, Community Development, and Homeless Assistance to Drive Economic Growth", (2024), at: [https://www.hud.gov/press/press\\_releases\\_media\\_advisories/HUD\\_No\\_24\\_103](https://www.hud.gov/press/press_releases_media_advisories/HUD_No_24_103)

<sup>61</sup> The White House, "American Rescue Plan", (2021), at: <https://www.whitehouse.gov/wp-content/uploads/2021/03/American-Rescue-Plan-Fact-Sheet.pdf>

<sup>62</sup> US Department of Housing and Urban Development, "HUD Announces \$5 Billion to Increase Affordable Housing to Address Homelessness", (2021), at: <https://archives.hud.gov/news/2021/pr21-055.cfm>

<sup>63</sup> US Department of the Treasury, "FACT SHEET: New Treasury Department Data Illustrates How American Rescue Plan Resources Are Expanding Access to Affordable Housing and Keeping Families in their Homes", (2023), at: <https://home.treasury.gov/news/press-releases/jy1812>

Eco-efficient and Circular Economy-adapted Products, Production Technologies and Processes	12. Responsible Consumption and Production	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
Environmentally Sustainable Management of Living Natural Resources and Land Use	14. Life below Water	14.2 By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans
Access to Essential Services: Education	4. Quality Education	4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship
Affordable Housing	9. Industry, Innovation and Infrastructure	9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all

## Conclusion

Pacific Life has developed the Pacific Life Sustainable Financing Framework under which the Company and its subsidiaries intend to issue green, blue, social and sustainability bonds, senior notes, funding agreement backed notes and funding agreement backed commercial paper notes and other financial instrument, and use of proceeds to finance projects intended to provide environmental and social benefits. Sustainalytics considers that the eligible projects are expected to provide positive environmental impacts.

The Pacific Life Sustainable Financing Framework outlines a process for tracking, allocation and management of proceeds, and makes commitments for reporting on allocation and impact. Sustainalytics considers the Framework to be aligned with the overall sustainability strategy of the Company and that the use of proceeds will contribute to the advancement of the UN Sustainable Development Goals 4, 6, 7, 9, 11, 12 and 14. Additionally, Sustainalytics is of the opinion that Pacific Life has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects.

Sustainalytics has assessed the Framework for alignment with the EU Taxonomy's criteria for Substantial Contribution (SC) to its environmental objectives and Minimum Safeguards. For more details, please see Section 1 and Appendix 1.

Based on the above, Sustainalytics is confident that Pacific Life is well positioned to issue green, blue, social and sustainability bonds, senior notes, funding agreement backed notes and funding agreement backed commercial paper notes, and that the Pacific Life Sustainable Financing Framework is robust, transparent and in alignment with the four core components of Green Bond Principles 2021 and Social Bond Principles 2023.



# Appendices

## Appendix 1: Approach to Assessing Alignment with the EU Taxonomy

Sustainalytics has assessed each of the eligible green use of proceeds criteria in the Framework against the criteria for the relevant activity in the EU Taxonomy. This appendix describes Sustainalytics' process and presents the outcome of its assessment of alignment with the Taxonomy's applicable technical screening criteria for substantial contribution (SC) to an environmental objective of the EU Taxonomy. Sustainalytics' assessment involves two steps:

### 1. Mapping Framework Criteria to Activities in the EU Taxonomy

The initial step in Sustainalytics' assessment process involves mapping each criterion in the Framework to a relevant and applicable activity in the EU Taxonomy. Note that each Framework criterion may be relevant and applicable to more than one activity in the EU Taxonomy and vice versa. Sustainalytics recognizes that some Framework criteria relate to projects that do not map well to a specific activity in the EU Taxonomy. In such cases, Sustainalytics has mapped to the activity that is most relevant with respect to the primary environmental objective established in the EU Taxonomy.

In some cases, the Framework criteria cannot be mapped to an activity in the EU Taxonomy, as some activities are not yet covered by the EU Taxonomy. In other cases, some categories which are traditionally included in green bonds and loans may not be associated with a specific EU Taxonomy activity. While recognizing that financing projects in these areas may still have environmental benefits, Sustainalytics has not assessed these criteria for alignment.

Table 2 below displays the outcome of Sustainalytics' mapping process for this report.

### 2. Determining Alignment with EU Taxonomy Criteria

The second step in Sustainalytics' process is to determine the alignment of each criterion with relevant criteria in the EU Taxonomy. Alignment with the SC criteria is usually based on the specific criteria contained in the issuer's Framework, and may in many cases (especially DNSH criteria) also be based on management systems and processes or regulatory compliance. To assess alignment with the EU Taxonomy's Minimum Safeguards, Sustainalytics has conducted an assessment of policies, management systems and processes applicable to the use of proceeds criteria, including the regulatory context in the geographical location of activities and projects. (See Section 1, above.)

Sustainalytics' detailed assessment of alignment is provided in Appendix 2.

Table 2: Framework mapping table

Framework Category	Framework Criterion (Eligible Use of Proceeds)	EU Taxonomy Activity	Corresponding NACE Code	Environmental Objective	Refer to Table
Green Buildings	Investments related to real estate projects that have received or are expected to receive third-party sustainable certifications or verification	7.1 Construction of new buildings	F41.1, F41.2 and F43	Mitigation	Table 3
Renewable Energy	Investments for new renewable energy generation	4.1 Electricity generation using solar photovoltaic technology	D35.11 and F42.22	Mitigation	Table 4
		4.3 Electricity generation from wind power			Table 5
		4.4 Electricity generation from ocean energy technologies			Table 6
		4.5 Electricity generation from hydropower			Table 7

Energy Efficiency	Installation of heating, cooling and ventilation retrofits, lighting retrofits, efficient reflective roofs	7.3 Installation, maintenance and repair of energy efficiency equipment	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22 or C33.12	Mitigation	Table 8
	Investments that enable monitoring and optimization of the energy consumption of energy distribution networks	3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	C26.51, C27.1, C27.3, C27.9, C33.13, C33.14 or C33.2	Mitigation	Table 9
	Installation of energy monitoring equipment and smart thermostats	7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	F42, F43, M71, and C16, C17, C22, C23, C25, C27 or C28	Mitigation	Table 10
	Purchase of hardware certified to be energy efficient by Energy Star certification, that aim to achieve a 30% energy efficiency	Not mapped to any EU Taxonomy activity and hence, not assessed.	Not applicable	Not applicable	Not applicable
Sustainable Water and Wastewater Management	Construction or maintenance of (municipal) wastewater treatment systems, water reuse and recycling activities for rainwater or wastewater	5.3 Construction, extension and operation of wastewater collection and treatment	E37.00 and F42.99	Mitigation	Table 11
		5.4 Renewal of wastewater collection and treatment	E37.00		Table 12
	Construction of desalination plants (powered by renewable energy)	5.13. Desalination	E36.00 and F42.9	Adaptation	Table 13
	Projects that reduce water consumption or improve efficiency including low flow fixtures	7.3. Installation, maintenance and repair of energy efficiency equipment	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22 and C33.12	Mitigation	Table 8
	Water capture and storage infrastructure and conservation and restoration projects	2.3. Sustainable urban drainage systems (SUDS)	E36.00, E37.00 and F42.9	Sustainable use and protection of water and marine resources	Table 14
		5.1. Construction, extension and operation of water collection, treatment and supply systems	E36.00 and F42.99	Mitigation	Table 15
	Sustainable water management technology and software to improve water productivity, distribution, and	Not mapped to any EU Taxonomy activity and hence, not assessed.	Not applicable	Not applicable	Not applicable

	quality, automate water management and recycling				
	Early warning systems, such as storm water warning systems or floodwater warning systems Infrastructure projects for flood prevention, flood defense and/or storm water management	14.2. Flood risk prevention and protection infrastructure	F42.91	Adaptation	Table 16
Terrestrial and Aquatic Biodiversity Conservation	Investments related to the preservation and conservation of marine mammals and ocean health	1.1. Conservation, including restoration, of habitats, ecosystems and species contribution to biodiversity	R91.04	Protection and restoration of biodiversity and ecosystems	Table 17
Clean Transportation	Investments related to electric vehicle charging stations	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	F42, F43, M71, C16, C17, C22, C23, C25, C27 and C28	Mitigation	Table 18
	Investments related to clean mass transportation, including buses	6.3 Urban and suburban transport, road passenger transport	H49.31, H49.3.9, N77.39 and N77.11		Table 19
	Investments related to clean mass transportation, including rail	6.1 Passenger interurban rail transport	H49.10 and N77.39		Table 20
Eco-efficient and Circular Economy-adapted Products, Production Technologies and Processes	Development, construction, operation and maintenance of collection, sorting and material recovery and recycling facilities	5.5. Collection and transport of non-hazardous waste in source segregated fractions	E38.11	Mitigation	Table 21
		5.9. Material recovery from non-hazardous waste	E38.32 and F42.99		Table 22
Environmentally Sustainable Management of Living Natural Resources and Land Use	Investments and financings that enhance ecosystem protection or restoration, including: Forestry assets with recognized third-party sustainability certifications	1.4 Conservation Forestry	A2	Mitigation	Table 23
	Investments and financings that enhance ecosystem protection or restoration, including: Climate smart farm inputs	Not mapped to any EU Taxonomy activity and hence, not assessed.	Not applicable	Not applicable	Not applicable

	Investments and financings that enhance ecosystem protection or restoration, including: Preservation or restoration of natural landscapes	1.2 Rehabilitation and restoration of forests, including reforestation and natural forest regeneration after an extreme event	A2	Mitigation	Table 24
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## Appendix 2: Comprehensive EU Taxonomy Alignment Assessment

The tables below provide a detailed assessment of the alignment of the Framework criteria with the technical screening criteria for substantial contribution to an environmental objective for each relevant EU Taxonomy activity.

Table 3

Framework Activity assessed	Investments related to real estate projects that have received or are expected to receive third-party sustainable certifications or verification.	
EU Taxonomy Activity	7.1 Construction of new buildings	
Corresponding NACE Code	F41.1, F41.2, F43	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>As per the Framework eligibility criteria, Pacific Life may rely on green building certifications including BREEAM Excellent or above, Energy Star 85+ (only for commercial buildings), LEED Gold or Platinum. Regarding the certification schemes, as of May 2024, the EU Taxonomy has not specified the conditions on which green building certifications align with the applicable SC criteria.</p> <p>Pacific Life has communicated to Sustainalytics that the green buildings projects that may be financed under the Framework will only be located in the US and that the Company is not able to commit to a specific PED threshold at this stage. Hence, the Company is unable to adhere to the applicable SC criteria point (1) which relates to the PED of the building being at least 10% lower than the threshold set for the nearly zero-energy building (NZEB) requirements in national measures implementing Directive 2010/31/EU of the European Parliament and of the Council. Moreover, since the projects are mainly located in the US, the Company is unable to commit to the energy performance of the buildings to have an Energy Performance Certificate (EPC).</p> <p>Pacific Life has communicated to Sustainalytics that at this stage it does not have sufficient information to confirm adherence to point (2) and (3) of the applicable SC criteria pertaining to buildings larger than 5000 m<sup>2</sup>. Given the above, Sustainalytics views this to be not aligned with the applicable EU Taxonomy SC criteria. Sustainalytics encourages Pacific Life to update this EU Taxonomy assessment should they have more information in the future.</p>	Not Aligned

Table 4

<b>Framework Activity assessed</b>	Investments for new renewable energy generation – solar photovoltaic	
<b>EU Taxonomy Activity</b>	4.1 Electricity generation using solar photovoltaic technology	
<b>Corresponding NACE Code</b>	D35.11, F42.22	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Climate Change Mitigation	This activity is eligible by default.	Aligned

Table 5

<b>Framework Activity assessed</b>	Investments for new renewable energy generation – wind (including onshore and offshore)	
<b>EU Taxonomy Activity</b>	4.3 Electricity generation from wind power	
<b>Corresponding NACE Code</b>	D35.11, F42.22	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Climate Change Mitigation	This activity is eligible by default.	Aligned

Table 6

<b>Framework Activity assessed</b>	Investments for new renewable energy generation – tidal power	
<b>EU Taxonomy Activity</b>	4.4 Electricity generation from ocean energy technologies	
<b>Corresponding NACE Code</b>	D35.11, F42.22	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Climate Change Mitigation	This activity is eligible by default.	Aligned

Table 7

<b>Framework Activity assessed</b>	Investments for new renewable energy generation – small scale run-of-the-river hydropower or hydropower with specific power density	
<b>EU Taxonomy Activity</b>	4.5 Electricity generation from hydropower	
<b>Corresponding NACE Code</b>	D35.11, F42.22	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	



Climate Change Mitigation	<p>Pacific Life intends to finance hydropower projects that comply with either of the following criteria: i) small-scale run-of-the-river plants; ii) facilities operational before 2019 with a power density greater than 5W/m<sup>2</sup> or facilities that will become or became operational after 2019 with a power density greater than 10W/m<sup>2</sup>.</p> <p>Hence, Sustainalytics views the Framework eligibility criteria to be aligned with the applicable EU Taxonomy SC criteria point (a) and (b).</p>	Aligned
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Table 8

<b>Framework Activity assessed</b>	Installation of heating, cooling and ventilation retrofits, lighting retrofits, efficient reflective roofs Projects that reduce water consumption or improve efficiency including low flow fixtures	
<b>EU Taxonomy Activity</b>	7.3 Installation, maintenance and repair of energy efficiency equipment	
<b>Corresponding NACE Code</b>	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22 and C33.12	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Climate Change Mitigation	Sustainalytics notes that Pacific Life has not yet identified projects related to this activity but intends to comply with the applicable EU Taxonomy SC criteria. However, considering that most of the projects will be in the US and the Company is unable to share detailed information at this stage to demonstrate adherence with the applicable SC criteria, Sustainalytics has assessed this activity as not aligned with the applicable SC criteria. Sustainalytics encourages Pacific Life to update this EU Taxonomy assessment to include such projects, should the activities be financed in the future.	Not Aligned

Table 09

<b>Framework Activity assessed</b>	Investments that enable monitoring and optimization of the energy consumption of energy distribution networks	
<b>EU Taxonomy Activity</b>	3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	
<b>Corresponding NACE Code</b>	C26.51, C27.1, C27.3, C27.9, C33.13, C33.14 or C33.2	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Climate Change Mitigation	Sustainalytics notes that Pacific Life has not yet identified projects related to this activity but intends to comply with the applicable EU Taxonomy SC criteria. However, considering that most of the projects will be in the US and the Company is unable to share detailed information at this stage to demonstrate adherence with the applicable SC criteria, Sustainalytics has assessed this activity as not aligned with the applicable SC criteria. Sustainalytics encourages Pacific Life to update this EU Taxonomy assessment to include such projects, should the activities be financed in the future.	Not Aligned

Table 10

<b>Framework Activity assessed</b>	Installation of energy monitoring equipment and smart thermostats	
<b>EU Taxonomy Activity</b>	7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	
<b>Corresponding NACE Code</b>	F42, F43, M71, and C16, C17, C22, C23, C25, C27, C28	

<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Climate Change Mitigation	Pacific Life confirmed to Sustainalytics that it intends to comply with the applicable EU Taxonomy SC criteria wherein the Framework activity would comply with the applicable SC criteria (a), (b), (c) or (d).	Aligned

Table 11

<b>Framework Activity assessed</b>	Construction or maintenance of (municipal) wastewater treatment systems, water reuse and recycling activities for rainwater or wastewater	
<b>EU Taxonomy Activity</b>	5.3 Construction, extension and operation of wastewater collection and treatment	
<b>Corresponding NACE Code</b>	E37.00 and F42.99	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Climate Change Mitigation	Pacific Life has confirmed to Sustainalytics that it intends to align with the applicable SC criteria.	Aligned

Table 12

<b>Framework Activity assessed</b>	Construction or maintenance of (municipal) wastewater treatment systems, water reuse and recycling activities for rainwater or wastewater	
<b>EU Taxonomy Activity</b>	5.4 Renewal of wastewater collection and treatment	
<b>Corresponding NACE Code</b>	E37.00	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Climate Change Mitigation	Sustainalytics notes that Pacific Life has not yet identified projects related to this activity but intends to comply with the applicable EU Taxonomy SC criteria. However, considering that most of the projects will be in the US and the Company is unable to share detailed information at this stage to demonstrate adherence with the applicable SC criteria, Sustainalytics has assessed this activity as not aligned with the applicable SC criteria. Sustainalytics encourages Pacific Life to update this EU Taxonomy assessment to include such projects, should the activities be financed in the future.	Not Aligned

Table 13

<b>Framework Activity assessed</b>	Construction of desalination plants (powered by renewable energy)	
<b>EU Taxonomy Activity</b>	5.13 Desalination	
<b>Corresponding NACE Code</b>	E36.00 and F42.9	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Climate Change Adaptation	Sustainalytics notes that Pacific Life has not yet identified projects related to this activity but intends to comply with the applicable EU Taxonomy SC criteria. However, considering that most of the projects will be in the US and the Company is unable to share detailed information at this stage to demonstrate adherence with the applicable SC criteria, Sustainalytics	Not Aligned

	has assessed this activity as not aligned with the applicable SC criteria. Sustainalytics encourages Pacific Life to update this EU Taxonomy assessment to include such projects, should the activities be financed in the future.	
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Table 14

<b>Framework Activity assessed</b>	Water capture and storage infrastructure and conservation and restoration projects	
<b>EU Taxonomy Activity</b>	2.3 Sustainable urban drainage systems (SUDS)	
<b>Corresponding NACE Code</b>	E36.00, E37.00 and F42.9	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Sustainable use and protection of water and marine resources	Sustainalytics notes that Pacific Life has not yet identified projects related to this activity but intends to comply with the applicable EU Taxonomy SC criteria. However, considering that most of the projects will be in the US and the Company is unable to share detailed information at this stage to demonstrate adherence with the applicable SC criteria, Sustainalytics has assessed this activity as not aligned with the applicable SC criteria. Sustainalytics encourages Pacific Life to update this EU Taxonomy assessment to include such projects, should the activities be financed in the future.	Not Aligned

Table 15

<b>Framework Activity assessed</b>	Water capture and storage infrastructure and conservation and restoration projects	
<b>EU Taxonomy Activity</b>	5.1. Construction, extension and operation of water collection, treatment and supply systems	
<b>Corresponding NACE Code</b>	E36.00 and F42.99	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Climate Change Mitigation	Sustainalytics notes that Pacific Life has not yet identified projects related to this activity but intends to comply with the applicable EU Taxonomy SC criteria. However, considering that most of the projects will be in the US and the Company is unable to share detailed information at this stage to demonstrate adherence with the applicable SC criteria, Sustainalytics has assessed this activity as not aligned with the applicable SC criteria. Sustainalytics encourages Pacific Life to update this EU Taxonomy assessment to include such projects, should the activities be financed in the future.	Not Aligned

Table 16

<b>Framework Activity assessed</b>	Infrastructure projects for flood prevention, flood defense and/or storm water management	
<b>EU Taxonomy Activity</b>	14.2. Flood risk prevention and protection infrastructure	
<b>Corresponding NACE Code</b>	F42.91	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Climate Change Adaptation	Sustainalytics notes that Pacific Life has not yet identified projects related to this activity but intends to comply with the applicable EU Taxonomy SC criteria. However, considering that most of the projects will be in the US and the Company is unable to share detailed information at this stage to demonstrate adherence with the applicable SC criteria, Sustainalytics	Not Aligned

	has assessed this activity as not aligned with the applicable SC criteria. Sustainalytics encourages Pacific Life to update this EU Taxonomy assessment to include such projects, should the activities be financed in the future.	
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Table 17

<b>Framework Activity assessed</b>	Investments related to the preservation and conservation of marine mammals and ocean health	
<b>EU Taxonomy Activity</b>	1.1. Conservation, including restoration, of habitats, ecosystems and species contribution to biodiversity	
<b>Corresponding NACE Code</b>	R91.04	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Protection and restoration of biodiversity and ecosystems	Sustainalytics notes that Pacific Life has not yet identified projects related to this activity but intends to comply with the applicable EU Taxonomy SC criteria. However, considering that most of the projects will be in the US and the Company is unable to share detailed information at this stage to demonstrate adherence with the applicable SC criteria, Sustainalytics has assessed this activity as not aligned with the applicable SC criteria. Sustainalytics encourages Pacific Life to update this EU Taxonomy assessment to include such projects, should the activities be financed in the future.	Not Aligned

Table 18

<b>Framework Activity assessed</b>	Investments related to electric vehicle charging stations	
<b>EU Taxonomy Activity</b>	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	
<b>Corresponding NACE Code</b>	F42, F43, M71, C16, C17, C22, C23, C25, C27 and C28	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Climate Change Mitigation	This activity is eligible by default.	Aligned

Table 19

<b>Framework Activity assessed</b>	Investments related to clean mass transportation, including buses	
<b>EU Taxonomy Activity</b>	6.3 Urban and suburban transport, road passenger transport	
<b>Corresponding NACE Code</b>	H49.31, H49.3.9, N77.39 and N77.11	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Climate Change Mitigation	Pacific Life has confirmed to Sustainalytics that it will finance zero emissions vehicles. Sustainalytics views this to be aligned with criteria (a) of the applicable criteria.	Aligned

Table 20

<b>Framework Activity assessed</b>	Investments related to clean mass transportation, including rail	
<b>EU Taxonomy Activity</b>	6.1 Passenger interurban rail transport	
<b>Corresponding NACE Code</b>	H49.10 and N77.39	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Climate Change Mitigation	Pacific Life intends to adhere to the applicable SC criteria. The Company has communicated that trains and passenger coaches will have zero direct (tailpipe CO <sub>2</sub> ) emissions. Considering the above, Sustainalytics views this to be aligned with criteria (a) of the SC criteria.	Aligned

Table 21

<b>Framework Activity assessed</b>	Development, construction, operation and maintenance of collection, sorting and material recovery and recycling facilities	
<b>EU Taxonomy Activity</b>	5.5. Collection and transport of non-hazardous waste in source segregated fractions	
<b>Corresponding NACE Code</b>	E38.11	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Climate Change Mitigation	Pacific Life intends to adhere to the applicable SC criteria. The Company has communicated to Sustainalytics that for projects related to this EU Taxonomy activity, all separately collected and transported non-hazardous waste will be segregated at source and will be intended for preparation for reuse or recycling operations. Considering the above, Sustainalytics views this to be aligned with the applicable SC criteria.	Aligned

Table 22

<b>Framework Activity assessed</b>	Development, construction, operation and maintenance of collection, sorting and material recovery and recycling facilities	
<b>EU Taxonomy Activity</b>	5.9. Material recovery from non-hazardous waste	
<b>Corresponding NACE Code</b>	E38.32 and F42.99	
<b>Applicable SC Criteria</b>	<b>Alignment Assessment</b>	
Climate Change Mitigation	Pacific Life intends to adhere to the applicable SC criteria. The Company has communicated to Sustainalytics that the activity will convert at least 50%, in terms of weight, of the processed separately collected non-hazardous waste into secondary raw materials that are suitable for the substitution of virgin materials in production processes. Considering the above, Sustainalytics views this to be aligned with the applicable SC criteria.	Aligned

Table 23

<b>Framework Activity assessed</b>	Investments and financings that enhance ecosystem protection or restoration, including: Forestry assets with recognized third-party sustainability certifications	
<b>EU Taxonomy Activity</b>	1.4 Conservation Forestry	

Corresponding NACE Code	A2	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	Sustainalytics notes that Pacific Life has not yet identified projects related to this activity but intends to comply with the applicable EU Taxonomy SC criteria. However, considering that most of the projects will be in the US and the Company is unable to share detailed information at this stage to demonstrate adherence with the applicable SC criteria, Sustainalytics has assessed this activity as not aligned with the applicable SC criteria. Sustainalytics encourages Pacific Life to update this EU Taxonomy assessment to include such projects, should the activities be financed in the future.	Not Aligned

Table 24

Framework Activity assessed	Investments and financings that enhance ecosystem protection or restoration, including: Preservation or restoration of natural landscapes	
EU Taxonomy Activity	1.2 Rehabilitation and restoration of forests, including reforestation and natural forest regeneration after an extreme event	
Corresponding NACE Code	A2	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	Sustainalytics notes that Pacific Life has not yet identified projects related to this activity but intends to comply with the applicable EU Taxonomy SC criteria. However, considering that most of the projects will be in the US and the Company is unable to share detailed information at this stage to demonstrate adherence with the applicable SC criteria, Sustainalytics has assessed this activity as not aligned with the applicable SC criteria. Sustainalytics encourages Pacific Life to update this EU Taxonomy assessment to include such projects, should the activities be financed in the future.	Not Aligned



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