

A large humpback whale and its calf are swimming underwater in deep blue water. The adult whale is in the foreground, and the calf is slightly behind and above it. The water is clear with some light rays visible.

# Pacific Life Global Funding II

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The notes may be offered only:

- By the Offering Memorandum, dated March 25, 2021, as supplemented from time to time;
- In the United States to “Qualified Institutional Buyers”, as defined in Rule 144A under the Securities Act; and
- In “Offshore Transactions” to persons other than “U.S. Persons”, each as defined in Regulation S under the Securities Act.

Pacific Life Insurance Company is required to report risk-based capital (“RBC”) data, including its company action level RBC ratio (“RBC Ratio”) to the Nebraska Department of Insurance (“NE DOI”) annually. The RBC Ratio is calculated based on a formula which applies factors to various asset, premium and statutory reserve items and accounts for risk characteristics of the insurer. NE DOI uses RBC data as a regulatory tool to identify possible inadequately capitalized insurers for purposes of initiating regulatory action and not as a means to rank insurers generally. Nebraska law imposes broad confidentiality restrictions against the use and publication of RBC data by those engaged in the insurance business (including insurers, agents, brokers and others) and by the NE DOI. Inclusion of Pacific Life Insurance Company’s RBC Ratio in this presentation is intended solely for informational purposes for investors, prospective investors, banking and other counterparties with respect to institutional products and other commercial transactions and not for the use or disclosure by those engaged in the insurance business.

## FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements that are intended to enhance your ability to assess the Company’s future financial and business performance. These statements are based on the beliefs and assumptions of the Company’s management, and are subject to risks and uncertainties. Generally, statements that are not about historical facts, including statements concerning the Company’s possible or assumed future actions or results of operations, are forward-looking statements. Forward-looking statements include, but are not limited to, statements that represent the Company’s beliefs concerning future operations, strategies, financial results or other developments, and contain words and phrases such as “may,” “believes,” “intends,” “anticipates,” “plans,” “estimates,” “expects,” “projects,” “should” or similar expressions.

Forward-looking statements are made based on management’s current expectations and beliefs concerning future developments and their potential effects upon the Company. There can be no assurance that future developments affecting the Company will be those anticipated by management and the Company makes no representation or warranty that any projection, calculation, forward-looking statement, assumption or estimate will be achieved. Actual results could differ materially from the expectations expressed by the forward-looking statements. The Company does not intend, and is under no obligation, to update any particular forward-looking statement included in this presentation.





# Who We Are

For more than 150 years, Pacific Life has helped millions of individuals and families with their financial needs through a wide range of life insurance products, annuities, and mutual funds, and offers a variety of investment products and services to individuals, businesses, and pension plans. Whether your goal is to protect loved ones or grow your assets for retirement, Pacific Life offers innovative products and services that provide value and financial security for current and future generations. Pacific Life has no publicly traded stock. We are an independent company that remains focused on financial strength and long-term strategies that benefit policyholders and clients.



# Pacific Life Insurance Company

## OUR MISSION

To provide financial security through products and services that stand the test of time.

## OUR CORE VALUES

People; Accountability; Customer Focus; Integrity; Financial Strength; Innovation; Community. We live our core values each and every day. They define us and guide us.

## OUR VISION

To be the company of choice providing financial security and well-being through industry-leading innovation.

**ETHISPHERE®**  
**WORLD'S MOST**  
**ETHICAL**  
**COMPANIES®**  
**2018-2021**

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# Issuer & Credit Overview

# Overview of Pacific Life Global Funding II



## Issuer

Pacific Life Global Funding II, a Delaware statutory trust



## Funding Agreement Provider

Pacific Life Insurance Company ("Pacific Life" or "PLIC"), a Nebraska domiciled company



## Type

Funding Agreement-Backed ("FA-Backed") Global Medium-Term Notes



## Program Size

\$15bn



## PLIC Financial Strength Ratings<sup>1</sup>

- Moody's: A1 (Positive outlook)
- Fitch: AA- (Stable outlook)
- S&P: AA- (Stable outlook)
- AM Best: A+ (Stable outlook)



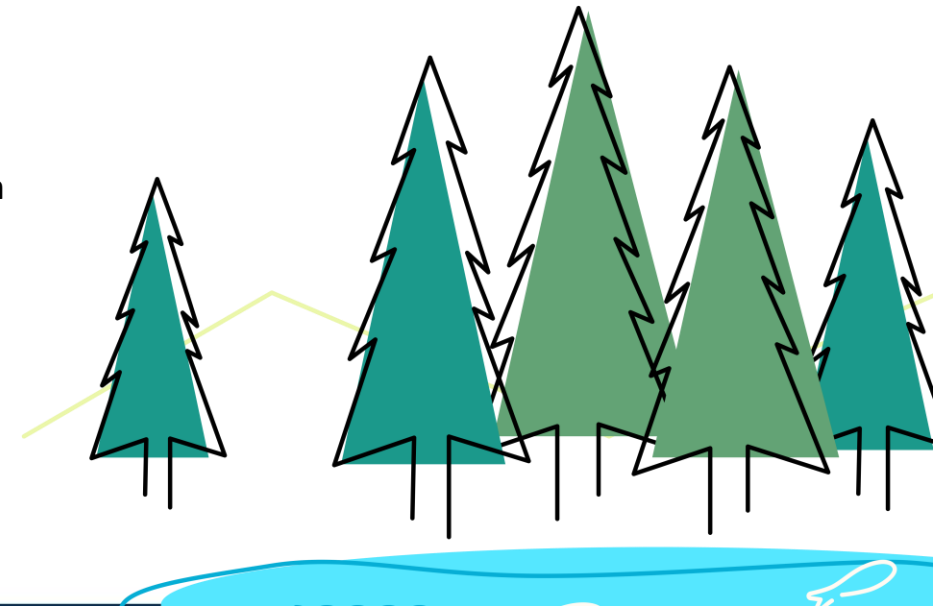
## Format

144A / Regulation S



## Listing

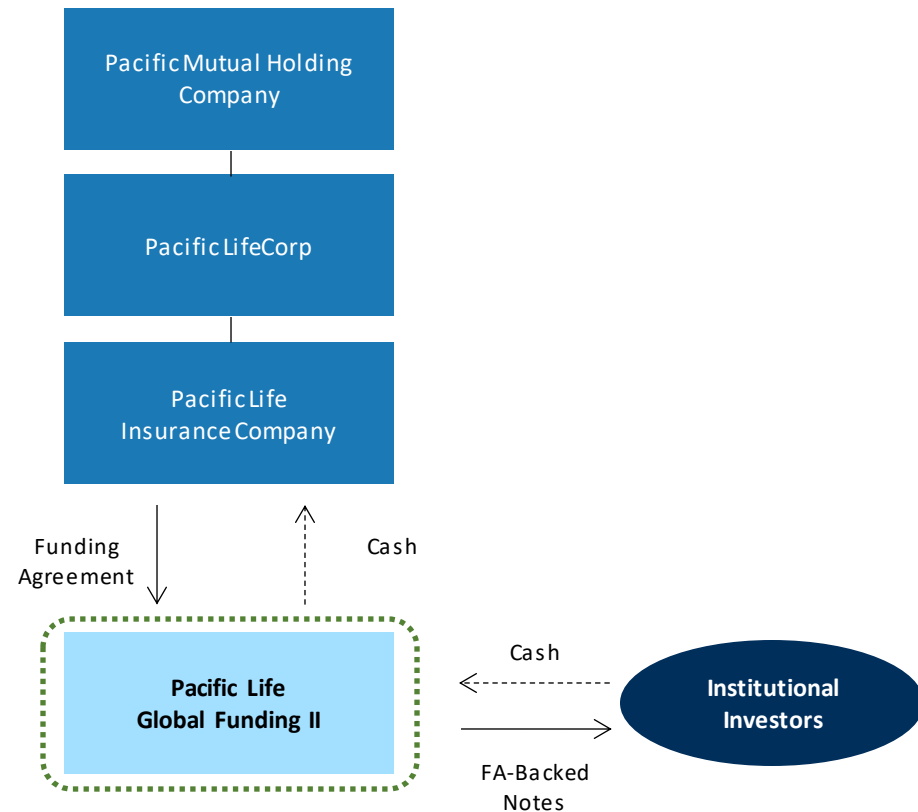
Euronext Dublin



<sup>1</sup> Ratings as of June 15, 2021

# FA-Backed Structure Overview

## Pacific Life Legal Entity Overview



## FA-Backed Note Mechanics

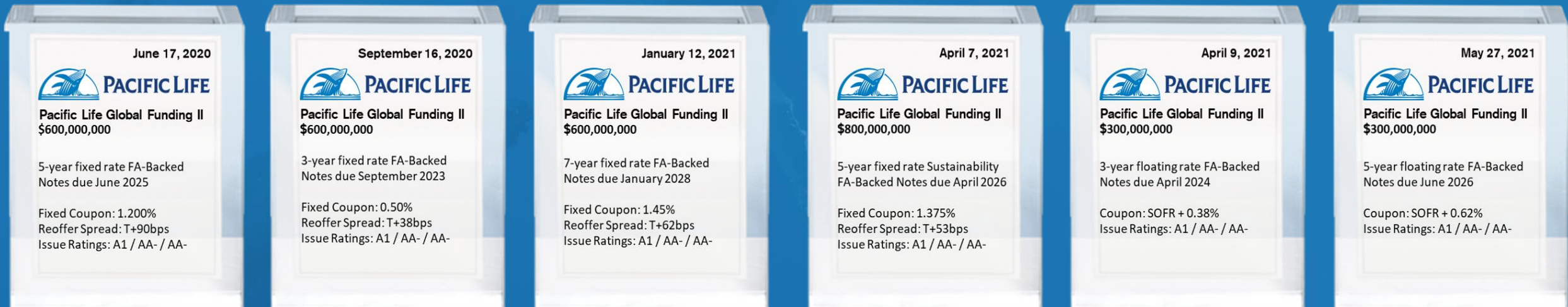
- Pacific Life Global Funding II, a Delaware statutory trust, issues global medium-term notes
- Each series of notes will be secured by one or more Funding Agreements from Pacific Life Insurance Company
- When Pacific Life Global Funding II issues a series of notes, the proceeds from the issuance will be used to purchase a Funding Agreement from Pacific Life Insurance Company, which will in turn use the cash to invest in a portfolio of assets
- The Funding Agreement will mirror Pacific Life Global Funding II's interest and principal payments on the notes
- Under Nebraska statutory law, the funding agreement securing the notes will rank *pari passu* with policyholder claims in the event of an insolvency of Pacific Life Insurance Company
- Pacific Life Global Funding II's FA-Backed Notes program ratings as of June 15, 2021 are:
  - Moody's: A1
  - S&P<sup>1</sup>: AA-
  - Fitch: AA-

<sup>1</sup> Rating based on note issuance in May 2021



# Demonstrating Our Intention

Pacific Life Global Funding II has completed six benchmark offerings totaling \$3.2 billion since launching the program in June 2020



# Pacific Life Insurance Company: Investment Highlights

## 1 Well-established life insurer with a diversified business

- A leading Insurance company with retail Life Insurance and Retirement Solutions businesses
- Strong market position in the affluent market with extensive distribution relationships
- Well-established and growing in our Institutional markets

## 2 Experienced and seasoned management team

- Senior management has extensive experience in the insurance and investment industry

## 3 Robust balance sheet

- Strong capitalization and liquidity
- Risk-based capital ratio<sup>1</sup> of 628% as of December 31, 2020
- Commitment to credit strength and ratings
- High quality, diversified investment portfolio

## 4 Well-positioned for continued strength despite COVID-19

- Entered and exited 2020 in a strong capital and liquidity position with no material long-term impacts from COVID-19
- Business remains fully operational with majority of employees working from home
- Resilient general account; fair market value of fixed income portfolio generally valued above book value with limited exposure to most impacted sectors

## 5 Well-defined risk management and governance framework

- Strong risk conscious culture that is embedded throughout the enterprise
- Guides capital and risk management decisions

## 6 Mutual insurance holding company structure

- Focus on financial strength and long-term value vs. short-term returns

<sup>1</sup> RBC Ratio is not intended for the purpose of ranking any insurance company or for use in connection with any marketing, advertising or promotional activities. See limitations on use in *Important Notices*, on slide 2



# Success by The Numbers

Pacific Life is the 17th largest life insurance company in the U.S. based on statutory admitted assets<sup>1</sup> and has ranked among the top 10 in total life insurance sales for more than 10 years<sup>2</sup>

As of March 31, 2021, Pacific Life's U.S. market rankings were<sup>2</sup>:

- #4 total life insurance sales
- #1 indexed universal life insurance sales
- #1 universal life insurance sales
- #6 variable universal life insurance sales
- #3 structured settlement annuity sales

***“Ranked Top Life Insurer of 2020”***

-Forbes, July 2020



**LEADER**

Ranked Top Life Insurance Carrier in 2020<sup>3</sup>



**STRONG**

Strong Financial Strength Composite Score, COMDEX 93 out of 100<sup>4</sup>



**ETHICAL**

One of the World's Most Ethical Companies—4th consecutive year<sup>5</sup>



**SERVICE**

Dalbar Insurance Service Award Winner—4th consecutive year<sup>6</sup>

<sup>1</sup> A.M. Best Company, Inc. Best's Statistical Study Top 200 U.S. Life/Health Writers-Total Admitted Assets-2019, data as of June 2020

<sup>2</sup> Based on data from LIMRA International

<sup>3</sup> Forbes Advisor “Best Life Insurance Companies 2020”. Published 7/14/20. Forbes Advisor is not an affiliated company of Pacific Life Insurance Company

<sup>4</sup> The COMDEX is a composite score of the four independent raters of financial strength (A.M. Best, Fitch, Moody's, and Standard & Poor's). The COMDEX rates life insurance companies on a scale of 0 to 100, with 100 being the highest rating. As of Aug. 2020. For current ratings, visit [www.PacificLife.com](http://www.PacificLife.com). COMDEX is not an affiliated company of Pacific Life Insurance Company

<sup>5</sup> Ethisphere Institute named Pacific Life one of the 2021 World's Most Ethical Companies based on its compliance and ethics program, corporate citizenship, culture of ethics, corporate governance, and leadership, innovation, and reputation. This marks the fourth consecutive year Pacific Life has been recognized. Ethisphere Institute is not an affiliated company of Pacific Life Insurance Company

<sup>6</sup> Dalbar Insurance Service Award Winner for Consistent focus on improving the policyowner experience for 2017-2020

# Management Team

Name	Title	Experience	Pacific Life Tenure	Industry Experience
<b>James Morris</b>	Chairman, President & CEO	<ul style="list-style-type: none"> <li>• COO of Pacific Life</li> <li>• EVP &amp; Chief Insurance Officer, Life Insurance and Annuities &amp; Mutual Funds Divisions</li> <li>• Joined Pacific Life in 1982</li> </ul>	38 years	39 years
<b>Darryl Button</b>	EVP & CFO	<ul style="list-style-type: none"> <li>• CFO and member of the Executive Board of Aegon N.V.</li> <li>• CFO of Transamerica</li> <li>• Joined Pacific Life in 2017</li> </ul>	4 years	28 years
<b>Jay Orlandi</b>	EVP & General Counsel	<ul style="list-style-type: none"> <li>• EVP, Chief Operating Officer of Transamerica</li> <li>• Joined Pacific Life in 2020</li> </ul>	< 1 year	21 years
<b>Adrian Griggs</b>	EVP & COO	<ul style="list-style-type: none"> <li>• CFO of Pacific Life</li> <li>• SVP, Finance &amp; Risk Management, Retirement Solutions Division</li> <li>• Joined Pacific Life in 1994</li> </ul>	26 years	32 years
<b>Carol Sudbeck</b>	EVP & CAO	<ul style="list-style-type: none"> <li>• SVP, Corporate</li> <li>• VP, Corporate</li> <li>• Joined Pacific Life in 1994</li> </ul>	26 years	34 years
<b>Joseph Celentano</b>	EVP, Retirement Solutions	<ul style="list-style-type: none"> <li>• SVP &amp; CFO, Retirement Solutions Division</li> <li>• Chief Risk Officer of Pacific Life</li> <li>• Joined Pacific Life in 1992</li> </ul>	29 years	35 years
<b>Dawn Trautman</b>	EVP, Life Insurance	<ul style="list-style-type: none"> <li>• SVP, Product &amp; Strategy Management, Life Insurance Division</li> <li>• VP, IT &amp; PMO Operations, Life Insurance Division</li> <li>• Joined Pacific Life in 2001</li> </ul>	20 years	34 years
<b>Brian Woolfolk</b>	SVP, Institutional	<ul style="list-style-type: none"> <li>• SVP &amp; CMO, Retirement Solutions Division</li> <li>• VP, Product Pricing, Retirement Solutions Division</li> <li>• Joined Pacific Life in 2010</li> </ul>	10 years	23 years
<b>Joseph Krum</b>	VP, Managing Director, Institutional Capital Markets Group	<ul style="list-style-type: none"> <li>• VP, Treasurer of Pacific Life</li> <li>• Joined Pacific Life in 2002</li> </ul>	19 years	30 years

# Pacific Life Business Profile

## Products

Life Insurance	Retirement Solutions	Institutional	Reinsurance
<ul style="list-style-type: none"> <li>Term Life</li> <li>Universal Life</li> <li>Indexed Universal Life</li> <li>Variable Universal Life</li> <li>Life Insurance with LTC</li> </ul>	<ul style="list-style-type: none"> <li>Variable Annuities</li> <li>Fixed Annuities</li> <li>Structured Settlement Annuities</li> </ul>	<ul style="list-style-type: none"> <li>Pension Risk-Transfer</li> <li>Defined Contribution Lifetime Income</li> <li>Stable Value Products</li> <li>Capital Markets Spread Lending</li> </ul>	<ul style="list-style-type: none"> <li>Domestic Retrocession</li> <li>Longevity Reinsurance</li> </ul>

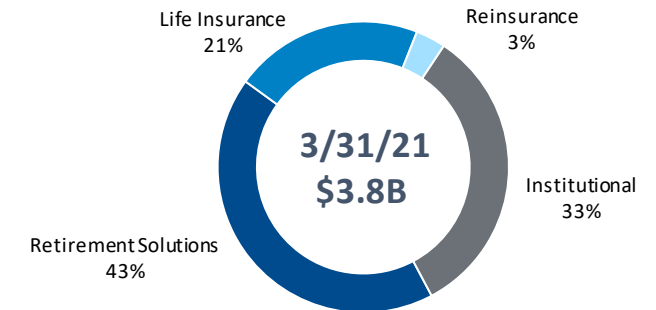
## Target Markets

<ul style="list-style-type: none"> <li>Individuals and families</li> <li>Small businesses</li> <li>Corporations</li> </ul>	<ul style="list-style-type: none"> <li>Individuals</li> <li>Small businesses</li> </ul>	<ul style="list-style-type: none"> <li>Retirement plans</li> <li>Corporations</li> <li>Financial institutions</li> <li>Institutional investors</li> </ul>	<ul style="list-style-type: none"> <li>Insurance and Reinsurance Companies</li> </ul>
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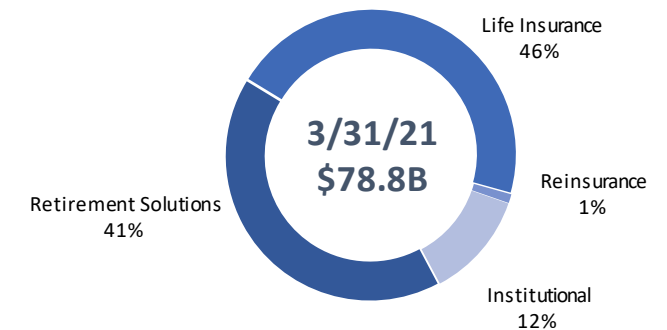
## Distribution

<ul style="list-style-type: none"> <li>Independent Life Producers</li> <li>Financial advisory networks</li> <li>Wirehouses</li> <li>M Financial <sup>3</sup></li> </ul>	<ul style="list-style-type: none"> <li>Financial Institutions</li> <li>RIAs</li> <li>Regional broker-dealers</li> <li>Wirehouses</li> <li>IMOs</li> </ul>	<ul style="list-style-type: none"> <li>Actuarial and benefit consulting firms</li> <li>Third-party brokers</li> <li>Fund management firms</li> <li>Investment banks</li> <li>Internal teams</li> </ul>	<ul style="list-style-type: none"> <li>Insurance Brokers</li> </ul>
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## PLIC Premiums & Deposits<sup>1</sup>



## PLIC Statutory Reserves<sup>2</sup>



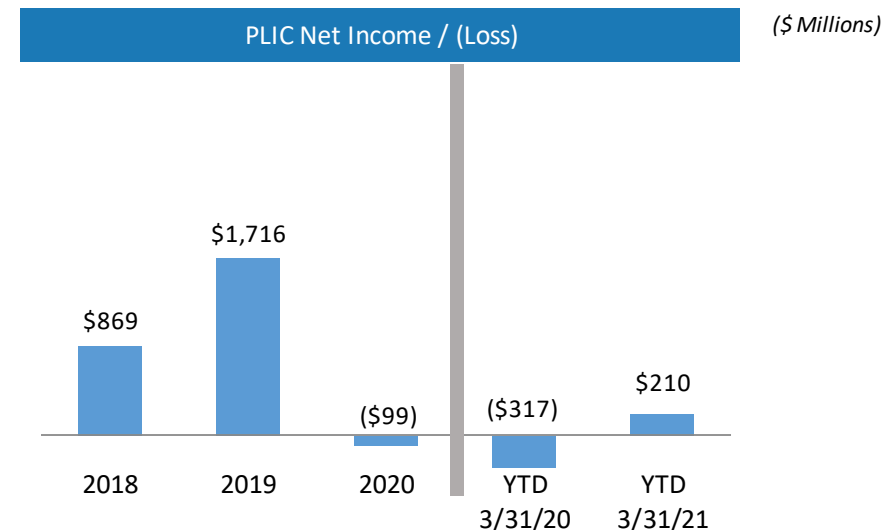
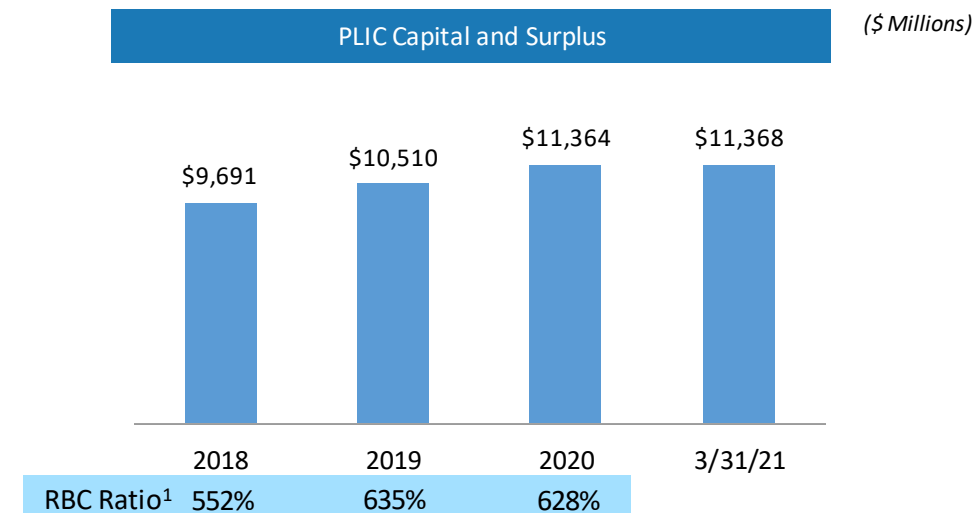
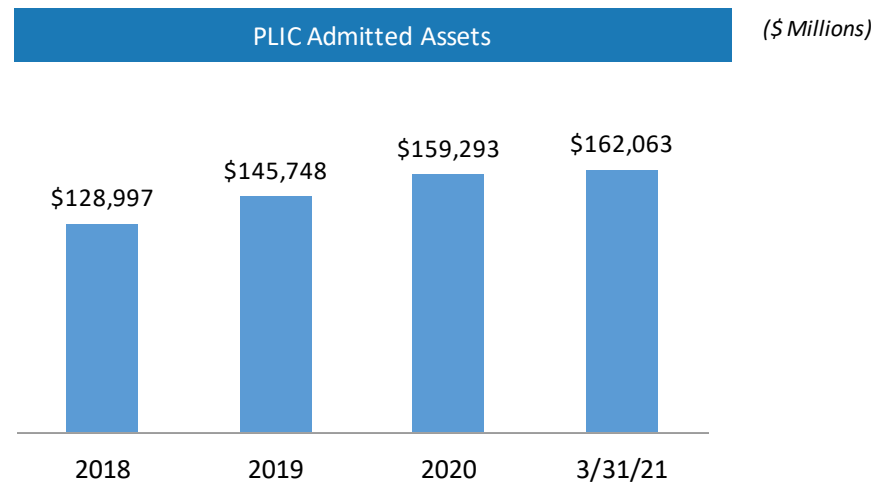
<sup>1</sup> Includes premiums and annuity considerations for life and accident and health contracts and deposits received for deposit-type contracts for the three months ended 3/31/21, net of reinsurance

<sup>2</sup> Total general account annuity and life actuarial reserves and deposit-type contract liabilities as of 3/31/21

<sup>3</sup> M Financial Group is a life insurance distribution, service, and product organization serving high net worth individuals, executives and employers

# Statutory Capital and Admitted Assets

- Capital and Surplus was relatively unchanged as of Q1 2021 as net income of \$210M and private equity gains were offset by the impact of higher interest rates on hedging programs
- Company action level risk-based capital ratio (RBC Ratio)<sup>1</sup> of 628% as of December 31, 2020
- Net Income of \$210M in Q1 2021 was driven by core operations partially offset by the impact of equity market improvements on the variable annuity hedging programs net of impact on reserves and slightly unfavorable mortality claims
- Assets increased \$2.8B due to general account growth from new business and separate account growth from strong equity market returns



<sup>1</sup> RBC Ratio is not intended for the purpose of ranking any insurance company or for use in connection with any marketing, advertising or promotional activities. See limitations on use in *Important Notices*, on slide 2. RBC is only presented on an annual basis.



# Statutory Premiums & Deposits

5-year CAGR<sup>2</sup> of 10% driven by strong growth in our Institutional and Life Insurance divisions

Institutional was formed in 2020

- Pension Risk-Transfer (PRT) business transferred from Retirement Solutions
- Premiums & deposits were \$5.2B in 2020 and \$1.3B in Q1 2021

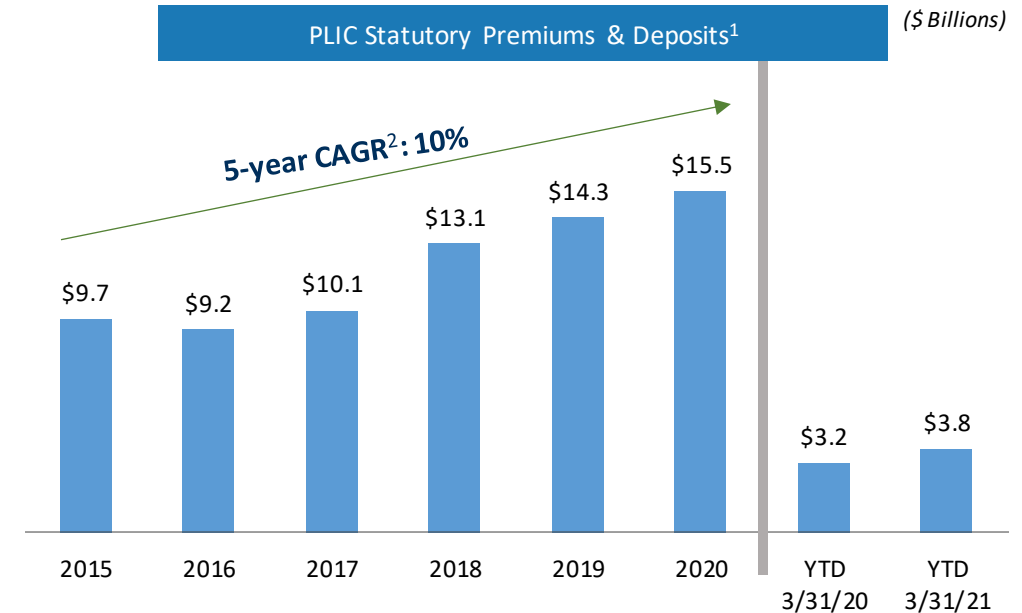
Retirement Solutions decrease in 2020 premiums & deposits was caused by:

- decreased sales in fixed annuities due to low interest rate environment
- offset by strong variable annuity sales

We remain committed to growing our retail, institutional, and reinsurance product lines

<sup>1</sup> Includes premiums and annuity considerations for life and accident and health contracts and deposits received for deposit-type contracts, net of reinsurance

<sup>2</sup> 5-year CAGR calculated using years 2015-2020



# Life Insurance

Our solutions for individuals, families, and businesses help them reach their goals of financial protection and supplemental retirement income through life insurance. We work with leading financial professionals to provide high-quality products and services for the diverse and evolving needs of their clients.

## Strategy & Target Markets

- Deliver exceptional products, services, and experiences that meet the needs of our target markets (individuals, small businesses, corporations)
- Strengthen our industry-leading position in the Affluent Market
- Grow sustainably and profitably in the Broad Market

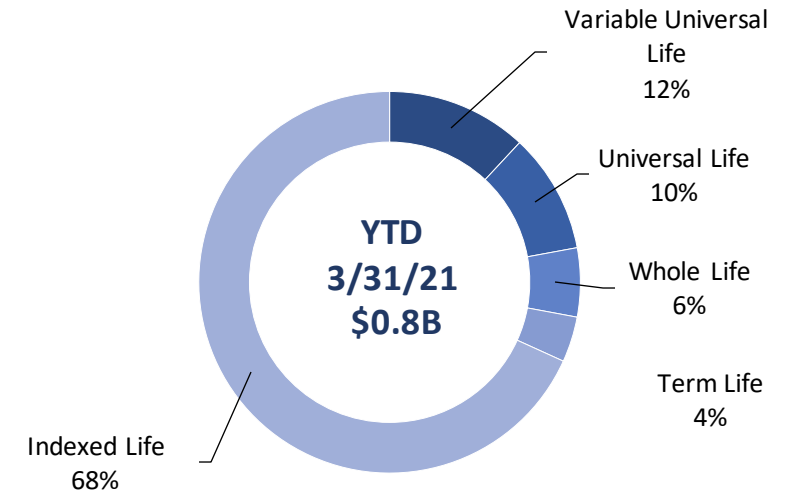
## Key Products

- Our products are centered around customer needs, spanning across financial protection, business planning and continuation strategies, estate planning strategies, and supplemental retirement income
- Key product lines include term, indexed universal life, variable universal life, and life insurance with long-term care benefits

## Distribution Model

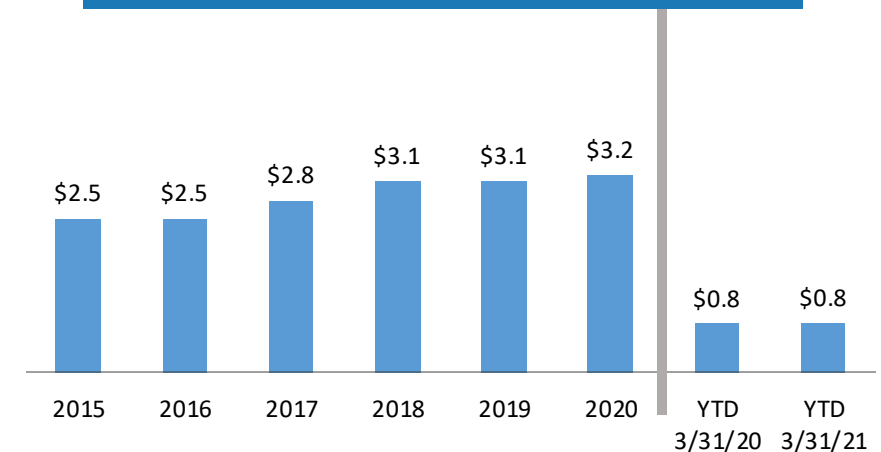
- Our differentiated distribution model supported by consultative sales support is central to our go-to market strategy
- Distribution channels include independent financial professionals, producer groups, financial institutions, brokerage general agencies, and direct marketers

Business Mix by Premiums & Deposits<sup>1</sup>



Life Insurance Statutory Premiums & Deposits<sup>1</sup>

(\$ Billions)



<sup>1</sup> Includes premiums and annuity considerations for life and accident and health contracts and deposits received for deposit-type contracts for the three months ended 3/31/21, net of reinsurance

# Retirement Solutions

We offer a broad and diversified range of products and solutions designed to help individuals and families achieve asset growth, guaranteed lifetime income, and long-term financial independence.

## Strategy & Target Markets

- Deliver exceptional customer experience and financial solutions that meet the needs of our target markets (individuals, families & small businesses)
- Grow core markets, broaden distribution, drive operational excellence, and enhance the customer experience

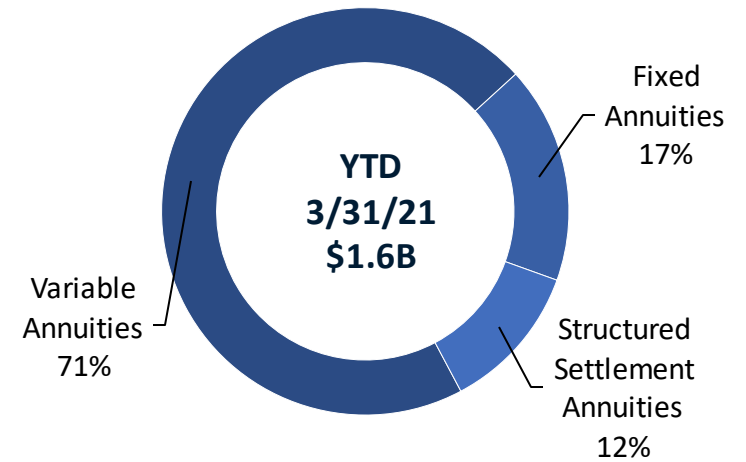
## Key Products

- We offer a broad and diversified range of products and solutions designed to help individuals and families achieve financial security, wealth accumulation, and guaranteed lifetime income
- Key product lines include Variable Annuities, Fixed Annuities and Structured Settlement Annuities

## Distribution Model

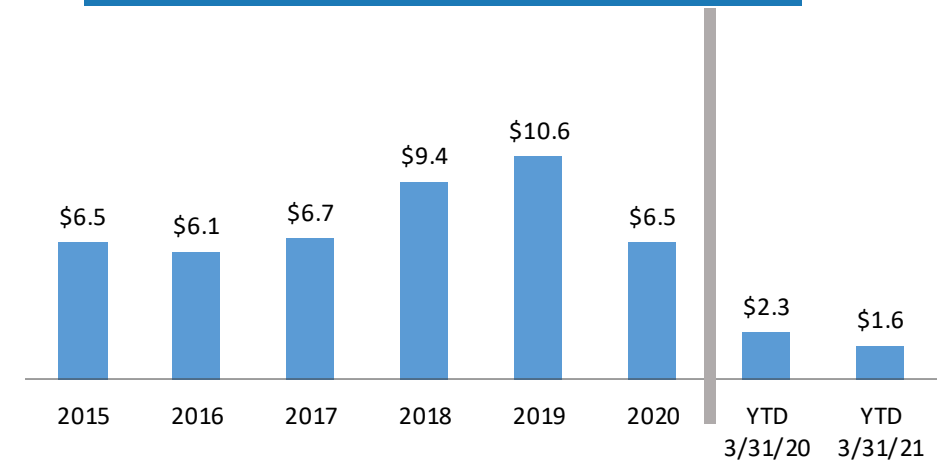
- Distribution channels include independent financial professionals, financial institutions, wirehouses, independent marketing organizations, brokerage general agencies, and registered investment advisors

Business Mix by Premiums & Deposits<sup>1</sup>



Retirement Solutions Statutory Premiums & Deposits<sup>1,2</sup>

(\$ Billions)



<sup>1</sup> Includes premiums and annuity considerations for life and accident and health contracts and deposits received for deposit-type contracts for the three months ended 3/31/21, net of reinsurance

<sup>2</sup> PRT business was transferred to Institutional effective 1/1/20. All prior periods presented include PRT business in Retirement Solutions

# Institutional

We offer a spectrum of risk mitigating and financing solutions to meet the needs of our clients. We have a dedicated team of experts that specialize in institutional markets.

## Strategy & Target Markets

- Grow our institutional business by exceeding customer expectations, driving new business growth, improving operational efficiency, and expanding our analytical capabilities

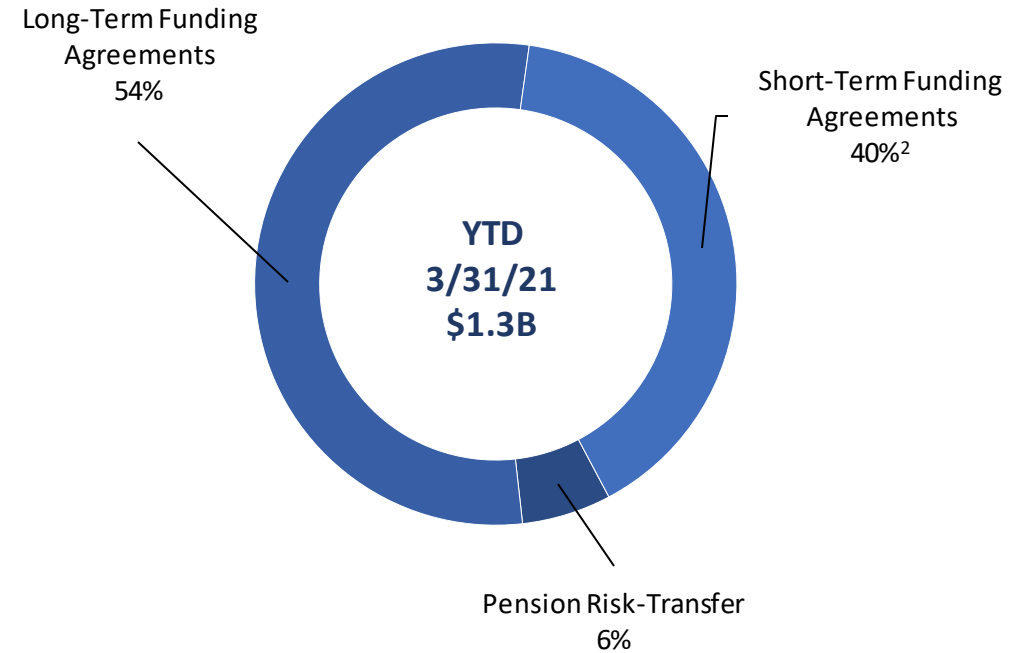
## Key Products

- Key product lines include Pension Risk-Transfer, Stable Value Wrap, FA-Backed Notes, FA-Backed Commercial Paper, and Federal Home Loan Bank Advances
- Emerging product offerings include Defined Contribution Lifetime Income

## Distribution Model

- Our Pension and Stable Value products are offered through plan sponsors, consultants, and investment partnerships while our funding agreements are offered to institutional investors

Business Mix by Premiums & Deposits<sup>1,3</sup>



<sup>1</sup> Includes premiums and annuity considerations for life and accident and health contracts and deposits received for deposit-type contracts for the year-to-date ended 3/31/21, net of reinsurance. Premiums and deposits for 2020 and for the year-to-date ended 3/31/20 were \$5.2B and \$26M, respectively

<sup>2</sup> Short-term funding agreements include funding agreements with maturities less than 12 months

<sup>3</sup> Stable Value Wrap fee income is not included in the table above as Stable Value Wrap fees are recorded in miscellaneous income



# Pacific Life Insurance Company's Ratings

MOODY'S

**A1**

**Good**

Positive Outlook

**S&P Global**

**AA-**

**Very Strong**

Stable Outlook<sup>1</sup>

**FitchRatings**

**AA-**

**Very Strong**

Stable Outlook<sup>2</sup>



**A+**

**Superior**

Stable Outlook<sup>3</sup>

**Favorable Business Profile**

**Strong Market Positions**

**Diversified Earnings**

**Very Strong Capitalization**

**Excellent Liquidity**

<sup>1</sup> S&P outlook and rating reaffirmed in December 2020

<sup>2</sup> Fitch outlook and rating reaffirmed in January 2021

<sup>3</sup> AM Best outlook and rating reaffirmed in June 2021

Ratings as of June 15, 2021

# Strong Enterprise Risk Management





# Investment Strategy Starts with our Liabilities

- The general account is segmented into product portfolios with characteristics determined by liability needs
- Investment decisions are based on both top-down views and bottom-up analysis
- We seek to optimize among yield, risk, capital efficiency, and relative value
- We continually reassess risk-adjusted return across investment opportunities, including by sector, geography, and rating
- Investment pace is influenced by projected cash flows and market opportunities
- As the economic environment evolves, we reevaluate all of our holdings in terms of value, suitability, and credit fundamentals

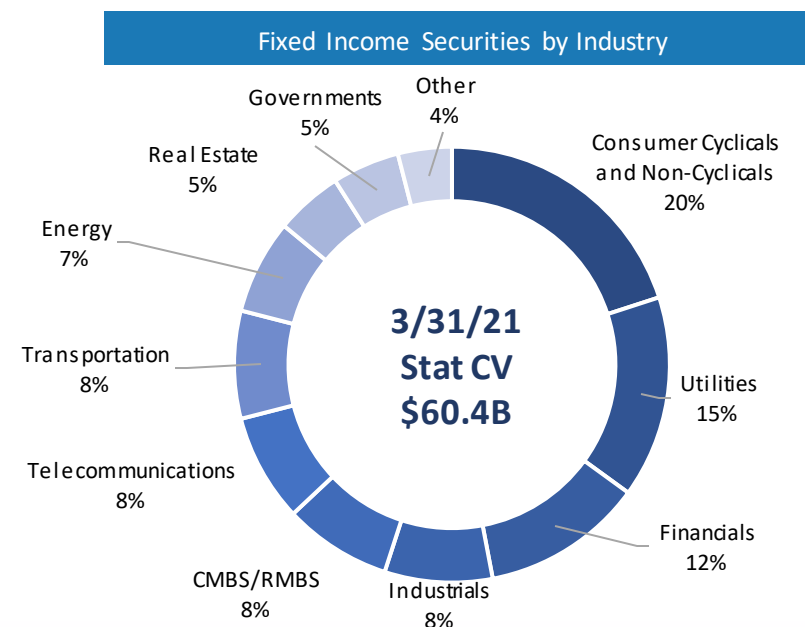
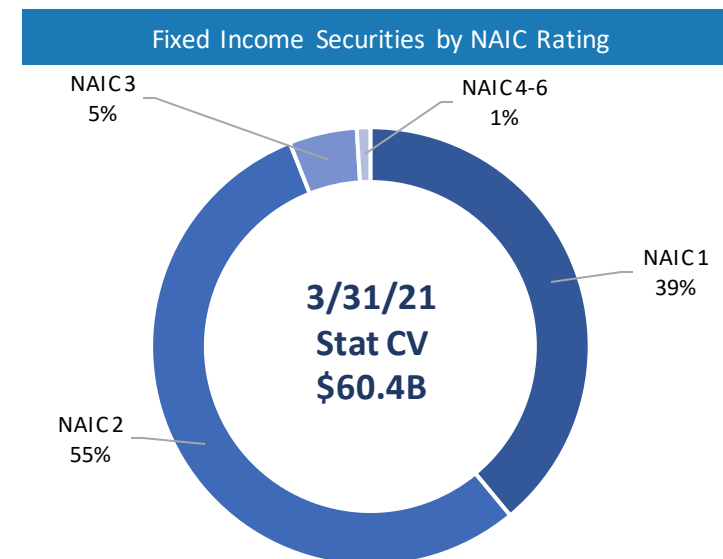
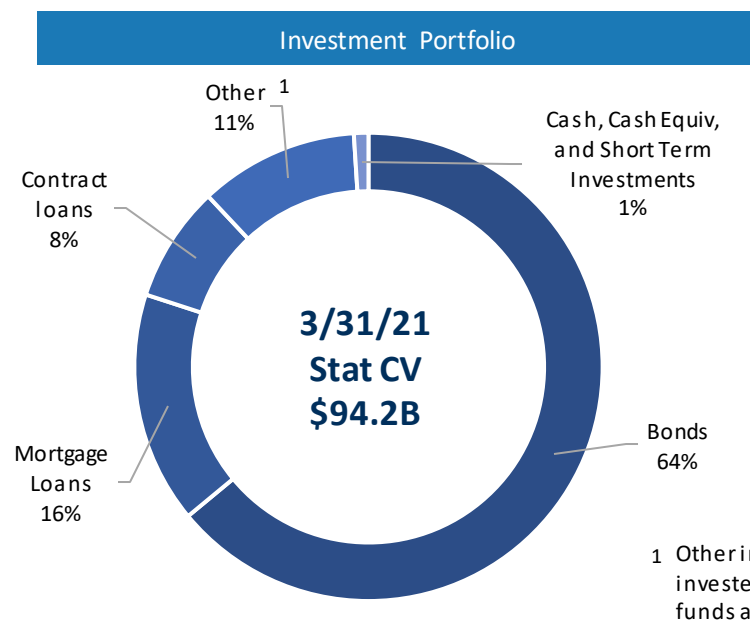
# Pacific Life Investment Portfolio Highlights

## Total investment portfolio

- Investment portfolio consists primarily of investment grade public and private fixed income securities, mortgage loans and contract loans

## Fixed income profile

- Net unrealized gains in the fixed income portfolio were \$6.0B as of March 31, 2021
- As of March 31, 2021, 94% of our fixed maturity securities were rated as investment-grade. We have not experienced any material changes in the credit quality of our portfolio since December 31, 2020





# Pacific Life Mortgage Loan and Real Estate Portfolio Highlights

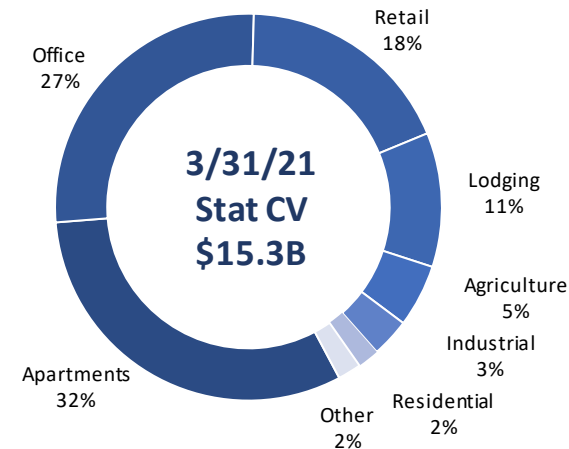
## Portfolio strategy

- Mortgage loan and real estate emphasis is on properties in high “barrier to entry” locations and regions exhibiting strong demographic and economic trends
- Loan underwriting at origination emphasizes high debt coverage ratio and low loan-to-value

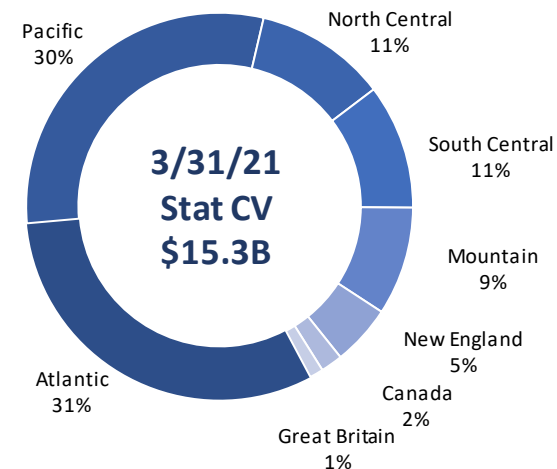
## Mortgage loan and real estate profile

- As of March 31, 2021, total carrying value of mortgage loans and real estate was \$15.3B. Mortgage loans consist primarily of commercial mortgage loans
- Overall portfolio loan-to-value remains strong at 58% as of March 31, 2021, consistent with year end 2020
- The real estate mortgage portfolio is backed by high quality assets that are operated by owners with proven track records. As of March 31, 2021,
  - 3% of the mortgage portfolio was engaged in active payment deferrals
  - All mortgage payments are current
  - No mortgage losses year-to-date

Property Type



Geographic Region



# Liquidity

	(\$ Billions)	3/31/21
Cash and Cash Equivalents <sup>1</sup>		\$0.3
High Quality Liquid Assets (HQLA) <sup>2</sup>		\$2.1
<b>Total Cash and HQLA</b>		<b>\$2.4</b>
Pacific LifeCorp (PLC) Revolving Credit Facility (RCF)		\$0.6
Pacific Life Insurance Company RCF		\$0.4
<b>Total Undrawn Committed Credit<sup>3</sup></b>		<b>\$1.0</b>
<b>Total Contingent Facilities<sup>4</sup></b>		<b>\$1.7</b>
<b>Total Available Liquidity<sup>5</sup></b>		<b>\$5.1</b>

<sup>1</sup> Excludes derivatives cash collateral, bank time deposits and restricted funds

<sup>2</sup> HQLA includes U.S. Treasury securities, obligations of other U.S. government authorities and agencies, and publicly traded US Investment Grade bonds that are either close to maturity (duration < 3 months) or on the run securities (issued in the last 31 days)

<sup>3</sup> Both RCFs mature in June 2023

<sup>4</sup> Contingent facilities includes estimated borrowing capacity against Federal Home Loan Bank (FHLB) eligible collateral ring-fenced for PLIC liquidity, commercial paper program and securities lending cash release capacity

<sup>5</sup> Represents management's internal measure of liquidity. Includes liquidity sources within PLIC and readily available to PLIC

- **We have strong structural liquidity with Cash and HQLA of \$2.4B**
  - We're actively sourcing short-term cash yield optimization opportunities
- **We have no material pre-funding needs in the next decade**
- **In addition, we have \$1.0B of undrawn revolving credit allocated to a diversified set of top tier global and US banks**
  - For the PLC RCF, if needed to be drawn upon, its liquidity is fungible via a contribution to PLIC as necessary
- **We have \$1.7B of contingent liquidity facilities with majority same day funds availability**
- **Total available liquidity of \$5.1B represents a subset of our total available liquidity at the consolidated group level**



# ESG & Sustainable Bond Framework

# Pacific Life's Principles for Responsible Investing



**Environmental**



**Social**



**Governance**

Our mission is to deliver superior risk-adjusted investments that provide flexible, scalable, and value-added solutions to our clients. We strive to generate sustainable, long-term returns in a balanced, responsible manner. With this in mind, we acknowledge the evolving materiality of environmental, social, and governance factors (ESG) and are increasingly integrating them into our investment decision making. Investing responsibly ties to Pacific Life's Core Values of Accountability for our actions, Integrity to do the right thing, and making a positive impact on our Community.

As a long-term investor, we note that the success of our investments will increasingly be tied to the degree to which they reflect ESG principles. Future profitability, asset values, and creditworthiness are optimized by acting responsibly. We recognize that the integration of ESG principles into our investment processes leads to more informed investment decisions. By doing so, we should ultimately experience higher sustainable portfolio returns in line with our responsibilities to our employees, policyowners, community, and other stakeholders.

# Pacific Life Commitment to Sustainability



## Protect and Regenerate the Environment

- \$625,000+ invested by the Pacific Life Foundation in 2020 toward protecting our environment. \$16,000,000+ to date invested in the preservation and conservation of marine mammals and the health of our oceans
- Nature Conservancy – 17 animal species supported or restored through work for the long-term protection of whales, sea turtles, and other marine wildlife
- Ocean Conservancy – 32,289 tons of trash collected and removed during 2017-2020 International Coastal Cleanups
- Oceana – 16,000,000 acres containing deep-sea corals off New England protected from destructive fishing methods



## Diversity, Equity and Inclusion

- Pacific Life's Chairman, President and CEO Jim Morris joined the CEO Action for Diversity & Inclusion™ pledge and in 2020, we were proud to have
  - 97% of all employees successfully complete unconscious bias training
  - A 95 out of 100 score on the Human Rights Campaign's Corporate Equality Index
  - Provided over \$700,000 in funding to organizations supporting and empowering underrepresented individuals and families in our communities



## Mobilizing Our Workforce

- 2020 Highlights from 2,000+ Pacific Life employee volunteers
  - 25,000 Homeless families received vital Soap Saves Lives kits
  - 7,500 First Responder heroes received paracord bracelets and gratitude cards
  - 350+ children and seniors received holiday gifts
  - 286 volunteers invested more than 500 hours reviewing scholarship applications for the Life Lessons program benefiting youth who lost a parent without life insurance coverage



# Pacific Life Sustainable Bond Framework

*In alignment with the four components of the Sustainability Bond Guidelines-2018 (SBG), the Green Bond Principles-2018 (GBP) and the Social Bond Principles-2020 (SBP)*

## Use of proceeds

- **An amount equal to the net proceeds will be allocated to existing or future investments in or financings of Eligible Projects that meet Pacific Life's Sustainable Bond Framework Eligibility Criteria:**

- Green Buildings, Renewable Energy, Energy Efficiency, Sustainable Water and Wastewater Management, Terrestrial and Aquatic Biodiversity Conservation, Clean Transportation, Access to Essential Services – Education, Affordable Housing

## Process for project evaluation and selection

- Pacific Life's Sustainable Bond Steering Committee is comprised of members from the Institutional Capital Markets Group, Investment Management, Commercial Real Estate, Law Department, Corporate Affairs, and/or Brand Management, and is responsible for the review and selection of the green and social projects that will qualify as Eligible Projects for the final approval of Pacific Life's Institutional Capital Markets Group

## Management of proceeds

- Pacific Life will track allocations using its internal recording system
- Pacific Life intends to allocate an amount equal to the net proceeds in the first 36 months after issuance

## Reporting

- Pacific Life will update investors annually in a public standalone report located on Pacific Life's website regarding the allocation of an amount equal to the net proceeds until such amount has been fully allocated to Eligible Projects

*Pacific Life has posted on its website a Second Party Opinion from a consultant with recognized environmental and social expertise that provides an opinion on the environmental and social benefits of Pacific Life's Sustainable Bond Framework as well as the alignment to the SBG, GBP and SBP*





## Additional Information

(\$ millions)

Key Financial Highlights	Three Months Ended		Years Ended December 31		
	2021	2020	2020	2019	2018
<b>Selected Income Statement Data</b>					
Premiums, Annuity Considerations and Fund Deposits	\$2,448	\$2,900	\$11,760	\$13,441	\$12,254
Net Investment Income	771	934	3,206	3,845	2,792
Total Revenue	3,395	3,956	15,617	18,006	15,446
Total Benefits and Expenses	3,508	4,120	15,849	17,187	14,751
Realized Capital Gains (Losses)	319	(317)	(64)	847	(59)
Net Income	210	(317)	(99)	1,716	869
<b>Selected Balance Sheet Data</b>					
Total Invested Assets	\$94,204	\$87,287	\$92,897	\$86,276	\$75,391
Total General Account Assets	162,063	89,399	96,010	88,481	77,910
Deposit-type Contracts	6,929	4,306	6,281	4,118	3,674
Reserves for Policy Benefits	71,855	68,871	71,367	67,687	60,000
Surplus Notes	1,674	1,674	1,674	1,730	1,730
Total Surplus	11,368	10,366	11,364	10,510	9,691
Separate Account Assets / Liabilities	64,299	48,157	63,283	57,267	51,087



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