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FOR IMMEDIATE RELEASE

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AM Best Affirms Credit Ratings of Pacific LifeCorp and Its Subsidiaries

OLDWICK, N.J., June 24, 2022—AM Best has affirmed the Financial Strength Rating of A+ (Superior) and the Long-Term Issuer Credit Ratings (Long-Term ICR) of “aa” (Superior) of Pacific Life Insurance Company and Pacific Life & Annuity Company (collectively referred to as Pacific Life Group). Both companies are headquartered in Newport Beach, CA. Additionally, AM Best has affirmed the Long-Term ICR of “a” (Excellent) of the group’s intermediate holding company, Pacific LifeCorp (Wilmington, DE). AM Best also has affirmed the Long-Term Issue Credit Ratings (Long-Term IR) of Pacific LifeCorp. The outlook of these Credit Ratings (ratings) is stable. (See below for a detailed listing of the Long- and Short-Term IRs.)

The ratings reflect Pacific Life Group’s balance sheet strength, which AM Best assesses as strongest, as well as its strong operating performance, favorable business profile and very strong enterprise risk management (ERM).

Pacific Life’s balance sheet is supported by a very strong level of risk-adjusted capitalization, as measured by Best’s Capital Adequacy Ratio (BCAR), and its history of positive earnings trends, which are supported by being one of the industry’s leading sales organizations in its key product lines. The favorable business profile assessment reflects its prominence as a leader in the affluent market segment.

Pacific Life is considered a top-tier writer of life insurance and annuities, holding leading market

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positions in universal life, indexed universal life, variable universal life insurance, fixed annuities, variable annuities and structured settlements product lines. The company’s earnings profile benefits from diversification within the life insurance, retirement services, institutional and reinsurance segments. Pacific Life’s ratings also reflect the company’s robust ERM program, which puts a strong focus on protecting the balance sheet from extreme event-driven risks and capital market movements.

The company’s earnings are correlated to the financial markets given its exposure to interest and market rate sensitive reserves, which it partially mitigates through a comprehensive hedging programs. AM Best notes that 2021 earnings were positively impacted by investment performance, partially offset by continue elevated mortality due to COVID-19. AM Best will continue to monitor trends in operating performance, as well as increasing exposures to commercial mortgage investments, NAIC class 2 bonds and private placements.

The following Long-Term IRs have been affirmed with stable outlooks:

Pacific LifeCorp-

- “a” (Excellent) on \$600 million 6.60% senior unsecured notes, due 2033
- “a” (Excellent) on \$500 million 5.125% senior unsecured notes, due 2043
- “a” (Excellent) on \$750 million 3.35% senior unsecured notes, due 2050

Pacific Life Insurance Company-

- “a+” (Excellent) on \$150 million 7.9% surplus notes, due 2023
- “a+” (Excellent) on \$1 billion 9.25% surplus notes, due 2039
- “a+” (Excellent) on \$750 million 4.3% surplus notes, due 2067

The following Short-Term IR has been affirmed:

Pacific Life Insurance Company-

- AMB-1+ (Strongest) on commercial paper

This press release relates to Credit Ratings that have been published on AM Best’s website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best’s [Recent Rating Activity](#) web page. For additional information regarding the use and limitations of Credit Rating

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