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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 4, 2021—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.)

Lastly, AM Best has affirmed the Long-Term ICRs of “aa” (Superior) of Pacific Life Funding, LLC and Pacific Life Global Funding. The outlook of these ratings is stable. Concurrently, AM Best has withdrawn these ratings as the company has requested to no longer participate in AM Best’s interactive rating process for these funding entities.

The ratings reflect Pacific Life’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.

Pacific Life’s balance sheet is supported by its strongest level risk-adjusted capitalization, diversified operating profile, liquidity resources and history of positive earnings trends, which are supported by being one of

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the industry's leading sales organizations in its key product lines. Pacific Life is a prominent leader in the affluent market segment and is considered a top-tier writer of life insurance and annuities, holding leading market positions in universal life, indexed universal life, variable universal life insurance, fixed annuities, variable annuities and structured settlements. The company's earnings profile benefits from diversification within the life insurance, retirement services, institutional and reinsurance segments. Pacific Life's ratings reflect the company's robust ERM program, which puts a strong focus on protecting the balance sheet from extreme event-driven risks.

Partially offsetting these positive rating factors are earnings that are correlated to the financial markets due to the company's exposure to interest and market rate sensitive reserves, which is partially mitigated through hedging programs. AM Best notes that 2020 earnings were negatively impacted by low interest rates and increased mortality due to COVID-19, and operating performance will be monitored further for trends. Pacific Life's commercial mortgage exposure and exposure to NAIC class 2 bonds are considered high relative to the industry.

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

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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 opinions, please view [Guide to Best's Credit Ratings](#). For information on the proper media use of Best's Credit Ratings and AM Best press releases, please view [Guide for Media - Proper Use of Best's Credit Ratings and AM Best Rating Action Press Releases](#).

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