

PACIFIC LIFE



Annual Report 2023



PACIFIC MUTUAL

Pacific Mutual Holding Company

Pacific Mutual Holding Company (Pacific Mutual) is the parent company of Pacific LifeCorp, which is the parent company of Pacific Life Insurance Company. Policyholders of Pacific Life Insurance Company are members of Pacific Mutual and, as such, are invited to attend the annual meeting of Pacific Mutual and to elect its board of directors. Through its direct and indirect subsidiaries, Pacific Mutual is engaged in a wide variety of insurance, financial services, and other investment-related businesses.



PACIFIC LIFE

Pacific Life Insurance Company

Offering insurance since 1868, Pacific Life provides a variety of products and services designed to help individuals and businesses in the retail, institutional, workforce benefits, and reinsurance markets achieve financial security.



PACIFIC LIFE & ANNUITY COMPANY

Pacific Life & Annuity Company

Pacific Life & Annuity Company provides a variety of products and services designed to help individuals and businesses in the retail, institutional, workforce benefits, and reinsurance markets achieve financial security.

Pacific Life refers to Pacific Life Insurance Company and its affiliates, including Pacific Life & Annuity Company.

Table of Contents

- 1** 2023 Financial Summary
- 2** Letter to Members
- 4** Consumer Markets
- 6** Institutional
- 8** Global Reinsurance
- 10** Workforce Benefits
- 12** Customer Focus and Member Value
- 14** Investments
- 16** Corporate Social Responsibility
- 18** Directors and Leadership
- 21** Contact Information



“Our 2023 financial results were strong, driven by record life and annuity sales, solid investment performance, and the strength of our balance sheet.”



2023 Financial Summary¹

Pacific Mutual Holding Company

<i>Dollars in Millions</i>	Company Assets	Policyholder & Other Liabilities	Equity ²	Adjusted Operating Revenues ³	Adjusted Operating Income ⁴
December 31, 2023	\$217,386	\$207,619	\$14,768	\$15,032	\$1,275
December 31, 2022	\$199,324	\$192,596	\$14,124	\$13,500	\$992
% Change	▲ 9%	▲ 8%	▲ 5%	▲ 11%	▲ 28%

¹ Based on accounting principles generally accepted in the United States of America (GAAP).

² Excludes accumulated other comprehensive income (loss) and noncontrolling interests.

³ Adjusted operating revenues excludes net investment gain (loss) other than stable value product income, gain (loss) on real estate equity investments and certain derivative costs. It also excludes non-recurring items that are not relevant to our ongoing operations. Revenues attributable to noncontrolling interests are excluded.

⁴ Adjusted operating income is utilized by management to measure the profitability generated by the operations of the company. It excludes net investment gain (loss) other than stable value product income, gain (loss) on real estate equity investments, and certain derivative costs. It also excludes deferred policy acquisition cost amortization due to movements in economic factors, certain other adjustments related to net investment gain (loss), other movements in economic factors and non-recurring items that are not relevant to our ongoing operations. Net income (loss) attributable to noncontrolling interests is excluded. The tax impact of the adjustments are calculated net of the U.S. or foreign statutory tax rate, which could differ from the company's effective tax rate.

Letter to Members

“Pacific Life has a legacy of being there for our customers when they need us most.”



As a mutual holding company and leader in the life insurance and retirement industry, we are proud of our 156-year legacy of strength, stability, and doing the right thing for our members. The opportunity to help our customers achieve financial security and peace of mind is what motivates us day in and day out, and drove us to show up for our customers in important ways over the past year.

We are industry leaders in our chosen markets and consistently receive recognition for our service experience. We fulfilled our commitments by distributing more than \$18 billion in benefits and reached a milestone of 1 million in-force members for the first time – a clear sign of progress on our efforts to build confidence for generations. Our 2023 financial

results were strong, driven by record-high life and annuity sales, solid investment performance, and the strength of our balance sheet.

We maintained a focus on achieving diversified growth and expanded our global footprint through our reinsurance business, Pacific Life Re. In our Institutional business, we placed our largest pension risk-transfer contract to date, a reflection of the continued strength of our Institutional and Pacific Life Investment teams. Our new Workforce Benefits business was successfully launched and provides an opportunity for future growth.

Technology and data analytics are powering an evolution of underwriting and new business operations. We recently introduced

a proprietary underwriting model to advance processing capabilities and enhance the customer experience. We also launched an enterprise technology strategy that will enable a more agile customer-centric experience, and realigned our risk and technology functions to maximize their collective strength. Our ongoing commitment to innovation – exemplified by these two initiatives – ensures that we are always there for our customers, helping them worry less and live more.

In looking back on 2023, we know none of these achievements would have been possible without the dedication of our employees. Every member of our team plays a crucial role in upholding our legacy of integrity, and we remain committed to developing and investing in our people.

We strive to create a lasting impact through volunteerism and philanthropy, guided by the Pacific Life Foundation. In 2023, Pacific Life employees and their families accumulated 13,300 hours

2023 Company Highlights

\$217B

Company assets

312

FORTUNE 500® company by total revenue rank*

156

Years in business

\$8.4M

Charitable contributions

\$1.3T

Life insurance in force

* FORTUNE ranking as of June 2023 is of the top 500 U.S. firms by total revenue.

volunteering with more than 170 charities around the globe. This engagement is a testament to our collective efforts in making a difference to the communities we serve, reinforcing our foundation of doing the right thing in everything we do. In addition, we were recognized by Points of Light as one of America’s 50 Most Community-Minded Companies, and we have been named one of the World’s Most Ethical Companies by the Ethisphere Institute for the seventh consecutive year.

As we look ahead through 2024 and beyond, we are well positioned to deliver on our promises when members need us most. Guided by our commitment to doing right by our people, customers, and communities above all else, we aspire to be the partner of choice to all whom we serve. For the continued trust of our members, we are grateful.



Mariann Byerwalter
Chair, Board of Directors



Darryl Button
President and Chief Executive Officer

Consumer Markets



“Our Consumer Markets business is committed to an outstanding customer, distribution, and strategic partner experience through superior services and valued insurance solutions that meet the diverse needs of our customers.”

Dawn Behnke

Executive Vice President, Consumer Markets



Invested in technology and data analytics to implement proprietary life insurance underwriting model that advances processing capabilities



Enhanced the customer experience with the exclusive release of a registered investment advisor trade management platform with Black Diamond®



Awarded DALBAR Financial Intermediary Service Award for the 20th consecutive year – 11th consecutive year ranked #1 among annuity companies – and DALBAR Insurance Service Award for the 7th consecutive year for life insurance, demonstrating our promise to deliver outstanding service

\$495M

Recurring premium life insurance sales

\$15.1B

Annuity and mutual fund sales

Business Highlights

3

Ranked third in total life insurance sales

142%

Annual growth in annuity sales with registered investment advisors

2

Ranked second in total structured settlement sales

First time crossing

\$100M

in sales of the PL Promise life insurance products

Life insurance rankings are from the 2023 Confidential Sales Survey of Participating Companies by LIMRA. Pacific Life Insurance Company sales are based on planned recurring premiums as measured against 77 participating companies. Structured settlement sales ranking from U.S. Individual Annuities Sales Survey by LIMRA, as of December 31, 2023.

Customer Story

Helping Financial Professionals Deliver Holistic Solutions



Tom Rapp is one of the founding partners of Greenberg and Rapp Financial Group and Eagle Rock Wealth Management. Over the last three decades, Tom has

gained essential expertise in alternative asset management, estate planning, private business consulting, niche insurance products, and private wealth management.

Tom has been working with Pacific Life for over 25 years, providing wealth transfer solutions for high net worth clients by utilizing a broad range of products designed by Pacific Life and M Financial, one of the nation's leading financial services and distribution companies. Tom has found Pacific Life's capacity and underwriting capabilities in the large case market to be phenomenal and appreciates the Pacific Life M Underwriting Team's ability to efficiently package up large cases. With their strong reinsurance relationships and innovative underwriting programs, the M underwriters excel in both holistic and facultative underwriting spaces, providing Tom and his clients with the best possible underwriting outcomes.

Tom's firm is consistently a top-producing life insurance firm for Pacific Life's M Channel. In 2023, Tom expanded his capabilities by working with Pacific Life's annuities team to craft a retirement solution for one of his clients. This resulted in a very large annuity sale that needed a cutting-edge product with flexibility. Whether it's life insurance or annuities, Tom and his team always

look to Pacific Life as a top carrier for their highly affluent clients due to product pricing, flexibility, and strong in-force customer service capabilities. Tom mentioned recently, “In all the years I've worked with Pacific Life, my team has always had great things to say about the service Pacific Life provides for my M clientele.”

Whether Tom's clients need life insurance solutions such as registered VUL products, Indexed Universal Life, or a flexible suite of annuities, Pacific Life's Consumer Markets business delivers. With products that align so well with policyholder goals and objectives, it's a “match made in heaven” for financial professionals like Tom and his clients.

Pacific Life's purchasing process is another reason Tom keeps coming back. His M Marketing Team for life sales shepherds his business through underwriting and new business and is able to answer all of his questions with ease. By reaching out to the Investment Marketing Team within Consumer Markets, the client was given all the answers to their questions, efficiently and quickly. “Frankly, Pacific Life has more resources that I haven't even utilized yet.”

When asked about Pacific Life as a whole, Tom sums up the culture well. “Pacific Life is the largest small company around. Pacific Life employees treat my firm as if they work for a small company—even though Pacific Life sales are #3 in the brokerage industry with products that are cutting edge.”

Important disclosures pertaining to Customer Story on page 21.

Institutional



“Pacific Life’s Institutional business is committed to offering our clients advanced retirement solutions and unmatched customer service. In the last four years, our team has experienced remarkable growth and consistently produced outstanding results, a source of immense pride. We are steadfast in our commitment to exceeding customer expectations, positioning ourselves as industry leaders in the defined contribution lifetime income, stable value wrap, institutional fixed annuities, pension risk-transfer, and funding agreements markets.”

Brian Woolfolk
Executive Vice President, Institutional

\$12.3B
Total assets under management from funding agreements

Business Highlights

\$61.8B

Total assets under management and assets under wrap

\$2.4B

Pension risk-transfer sales

\$8.9M

Record Qualifying Longevity Annuity Contract (QLAC) sales

183K

Participants transferred to new administrative system



Customer Story

Tech-Driven Efficiency – Enhancing Retirement Access

Our Institutional business made a strategic move by collaborating with record keeping and financial technology partners to establish an ecosystem that accelerates the delivery of retirement solutions to plan participants.

This forward-thinking approach to delivering lifetime income seeks to create a more efficient user experience. The synergy between our team and partners in the defined contribution ecosystem streamlines and provides a seamless

and accessible platform for users to navigate. In addition to fostering efficiency, this strategic collaboration emphasizes a commitment to innovation, ensuring that our retirement solutions remain at the forefront of industry advancements.

As a result, these collaborative efforts reflect Pacific Life’s dedication to providing financial security through products and services that stand the test of time.

Global Reinsurance



“Pacific Life Re is a leading reinsurer delivering savings, retirement, and protection solutions to our clients globally. Innovation through technical excellence is at the heart of what we do, and it’s the skills and expertise of our talented people that enable us to deliver the best mortality, morbidity, longevity, and capital reinsurance products and services possible.”

David Howell
Chief Executive Officer, Pacific Life Re

- Continued to be a key solution provider supporting retirement income globally; now actively working in new markets, including Japan and the Netherlands
- Completed transition to more capital efficient legal entity structure for Pacific Life Re enabling further growth of the business
- Wholly-owned subsidiary UnderwriteMe won Best Innovation Award at the UK Protection Review 2023 and the Outstanding New Partnership at the UK Cover Customer Care Awards 2023
- Achieved one of the highest client advocacy scores – likelihood to recommend – with no detractors in the UK

In 2023, Pacific Life’s global philanthropy program was expanded to further support 6 international office locations, engaging in new partnerships with charities that focus on financial security, food security, and ocean health.

Business Highlights

11.4M*

Lives reinsured

\$782B*

Net amount of insured risk

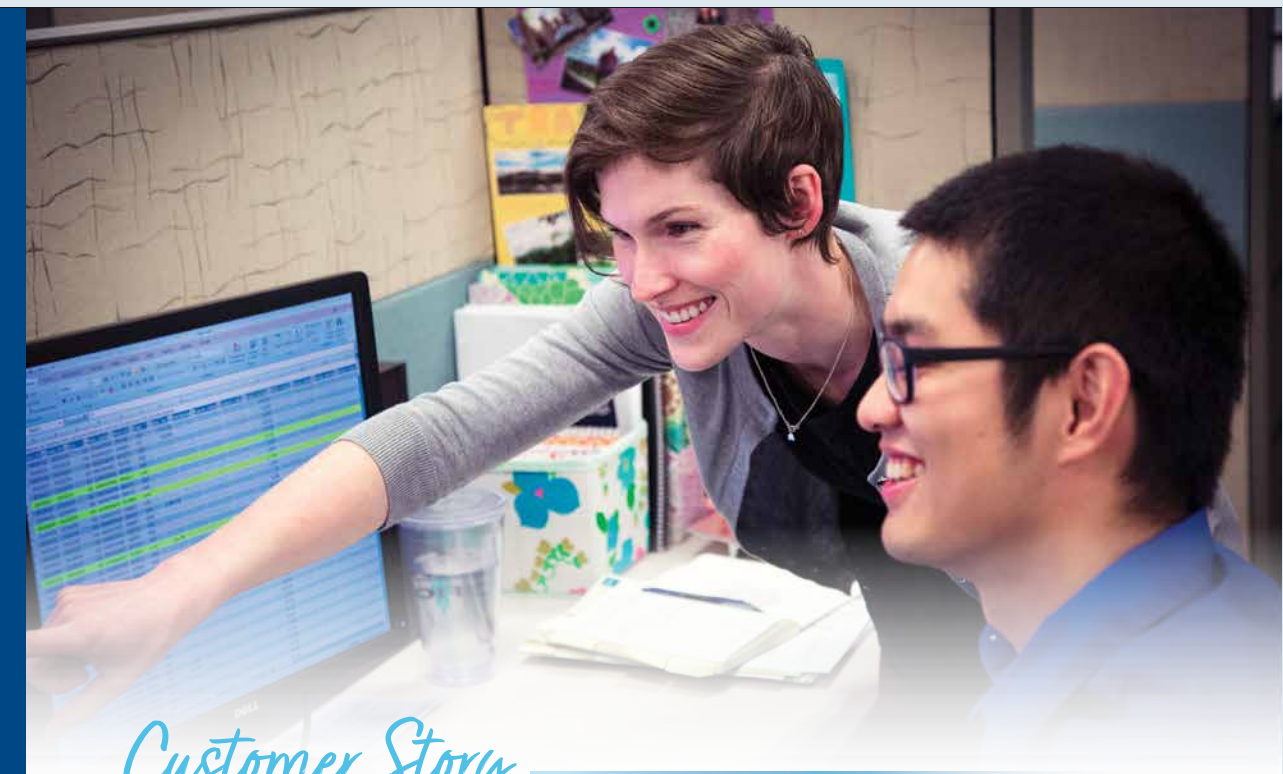
1**

Ranked first in business capability index for target market in Asia

3.5M

Applications processed through UnderwriteMe’s platform in 2023

* As of December 31, 2023
** NMG 2023 survey



Customer Story

The Exeter – Transforming What Matters the Most

UK health and protection insurer The Exeter recognized the need for change where it mattered the most for its members. Acknowledging the significance of promptly ensuring financial security and peace of mind in the event of a claim, the organization embarked on a transformation journey to revolutionize its claims process.

The Exeter was the first in the UK to leverage UnderwriteMe’s Decision Platform for claims processing to offer a personalized experience

to members by tailoring claims questions with the goal of cutting end-to-end turnaround times for payments.

While the platform can recommend an outcome, the final claims decision still rests with the claims assessor until The Exeter is ready to automate claim decisions.

This marks a substantial advancement for The Exeter, enhancing its claims process through personalization, digitalization, and automation.



“We accomplished something completely new and transformative for our customer group — offering benefits within a friction-free, digitally native ecosystem. Our customers appreciate how our advanced technology dramatically minimizes traditional tasks, promotes transparency, and enhances administration. We are in a strong position to make an impact in the coming year.”

Erich Sternberg
Senior Vice President, Workforce Benefits

Workforce Benefits

Our team’s passion and dedication enable us to offer a differentiated workforce benefits experience today and accomplish the following in the upcoming year:

- Introduction of supplemental benefit plans, including critical illness, hospital indemnity, and accident insurance
- Preparation for short- and long-term disability insurance products
- The addition of strategic benefits administration partners
- Expansion of distribution into new markets around the country
- Continued enhancements to our technology build

As we step into 2024, we enter the next phases of our strategy with the momentum needed to increase our visibility in the market.



Accelerated a modern approach to all aspects of the employee benefits ecosystem, from conception to production, without reliance on legacy systems



Introduced dental and vision products in 37 states and group life insurance in 48 states, including Washington, D.C., with January 1, 2024 plan effective dates



Established digital integrations with leading benefits administration platforms, including ADP, Employee Navigator, and Selerix



Began issuing quotes to brokers and general agents in August 2023



Marked our first employer plan as sold on October 19, 2023, and have continued to ring the bell, our symbolic sound of the successes we are earning with customers and technology advancements

Our Workforce Benefits business was launched in 2023 with a goal to revolutionize employee benefits through a digital-first approach and challenge the industry status quo.

Customer Focus and Member Value

“Working as a leader in new business allows me to navigate challenges, drive innovation, and foster a culture of excellence. I value the opportunity to build lasting relationships with internal and external customers, lead by example, and empower my team to drive to be the best.”



Bob Bell
Leader, Life New Business,
Consumer Markets

“Listening to our clients to understand their needs and challenges is an important Pacific Life Re principle that drives everything we do. By doing this, we build strong relationships and make a real difference to our client’s businesses. What we have learned is that incorporating technology into the underwriting journey is important for our clients to achieve maximum efficiency beyond traditional rules engines. This different way of thinking makes working at Pacific Life Re energizing, challenging, and rewarding, and is mutually beneficial for us and our clients.”



Samantha Fjellstad
Assistant Vice President,
Underwriting, Global Reinsurance

“Pacific Life’s launch into a brand new space with our Workforce Benefits Division is a prime example of the innovation and customer-focus built into our company’s DNA. Our division has spent the last 18 months building a disruptor in the employee benefits industry. It’s been a knockout combination of modern technology and high caliber talent. Early feedback from our broker and client partners proves we are solving the key pain points that have plagued this space for decades. I’m so grateful for this once-in-a-career opportunity!”



TJ Clayton
Head of Partner Management,
Workforce Benefits

“The cornerstone of our success lies in fostering trust with our clients, recognizing that it is not merely a transaction but a relationship built on reliability and transparency. Through deep collaboration, we craft innovative solutions and intuitive product dashboards focused on the needs of our clients. This commitment to innovation propels us forward, enabling our team to streamline processes that help to empower investment managers and plan sponsors. Ultimately, our collective efforts bring tangible value to participants’ retirement and investment goals, solidifying our dedication to putting our customers at the heart of everything we do.”



Peter Huynh
Senior Risk Management Analyst,
Stable Value Business, Institutional



Pacific Life provides confidence for generations by delivering financial security and experience excellence through a diverse set of insightful and innovative products. We are focused on markets and areas that present growth opportunities across our business while continuing an unwavering prioritization of the needs of our customers.

Member Milestone



In 2023, Pacific Life crossed the

1 MILLION

in-force member milestone, providing value by putting them at the center of what we do

Fulfilling our Commitments



In 2023, we paid a total of

\$18 BILLION

in benefits payouts: \$4B in life insurance, \$12B in annuities, \$1B in pensions, and \$1B in reinsurance

Investments

Pacific Life Investments is an integrated, global investment organization focused on managing Pacific Life's rapidly growing general account assets.



Positioning the Company for the Long Term

The Pacific Life family of companies is supported by a seasoned investment team that focuses on investment strategies that provide attractive risk-adjusted returns. As an independent company with no publicly traded stock, we follow a disciplined, long-term investment philosophy that stands the test of time and serves the best interests of our policyholders and clients.

\$16.9B

invested by Pacific Life in assets related to socially responsible efforts in underserved and low-income communities, as well as environmentally green efforts

\$1.8B

of this amount is committed toward renewable energy investments, including solar, wind, renewable natural gas, geothermal, and hydro

Distribution of Investments

Pacific Life invests in carefully selected securities, mortgage loans, real estate equity, and private equity. Pacific Life has an accomplished management team with experience in both positive and negative market environments. Our disciplined underwriting and diligent monitoring help ensure that we maintain portfolio quality over the long horizon.



Dollars in millions December 31, 2023

- **\$87,971**
Fixed Maturity Securities
- **\$22,401**
Mortgage Loans
- **\$8,208**
Policy Loans
- **\$6,624**
Private Equity
- **\$3,332**
Real Estate
- **\$2,146**
Other Investments

Quality of Fixed Maturity Securities

Our fixed maturity portfolio holdings are very strong, with 95% of our fixed maturity securities rated as investment-grade by the Securities Valuation Office of the National Association of Insurance Commissioners (NAIC).



Dollars in millions December 31, 2023

- **\$83,790**
Investment-Grade
- **\$43,597**
NAIC 1 Highest Quality
- **\$40,193**
NAIC 2 High Quality
- **\$4,181**
Non-Investment-Grade
- **\$3,374**
NAIC 3 Medium Quality
- **\$807**
NAIC 4–NAIC 6 Low Quality and Below

Corporate Social Responsibility

Pacific Life is committed to creating a meaningful future for our stakeholders. This extends beyond the current generation, which is why our corporate social responsibility initiatives create lasting, positive impact for our people, our customers, our communities, and our environment.

People

Our employees are essential to our success. We strive to promote an environment where employees feel engaged, supported, and inspired by our purpose. We understand a diverse workplace enhances our ability to deliver on our mission to help clients achieve financial security.



Customers

Our strong ethics, investment, and privacy programs represent our commitment to the highest standards and help ensure we are able to meet the promises we make to our policyholders. Our investment options within our product portfolios provide choice and flexibility, including investment funds focused on ESG principles.



Communities

Our commitment to communities means that we invest in making a meaningful impact locally and globally, through our philanthropic giving, our volunteering, and our impact investments. Our Global Philanthropy Program has donated \$150 million to nonprofits over the past four decades. Additionally, our volunteer programs generate thousands of hours of service to our communities every year.



Environmental Stewardship

Pacific Life is committed to having a positive impact on our environment and becoming more resilient in our operations. We are working to protect our oceans, reduce our environmental footprint, and identify investment opportunities that are good for business and the planet.



\$8.4M

In global charitable giving from Pacific Life and the Pacific Life Foundation in 2023*

\$6M

Committed to financial security and education initiatives through 2029

\$2M

In grants to support our employees' engagement in their local communities

13.3K

Hours spent by Pacific Life Volunteers with 170 charities around the globe

11

Global environmental cleanups and events

\$17.9M

Invested globally in ocean health and the conservation of marine mammals, including \$730K in funding in 2023

7

Consecutive years named as one of the World's Most Ethical Companies by the Ethisphere Institute



Named by Points of Light as one of America's 50 most community-minded companies for the third year in a row



\$725K

Invested in improving food security in 2023

\$322M

In IMPACT investments focused on providing financing to expand low-income housing opportunities in the United States

* Includes Pacific Life Foundation cash grants, global and miscellaneous corporate contributions, and in-kind donations "World's Most Ethical Companies" and "Ethisphere" names and marks are registered trademarks of Ethisphere LLC

Directors and Leadership

Pacific Mutual Holding Company Board of Directors

Mariann Byerwalter

Chair, Board of Directors
Pacific Mutual Holding Company

Darryl Button

President and Chief Executive Officer
Pacific Life Insurance Company

Dwight Decker

Retired Chairman and Chief Executive Officer
Conexant Systems, Inc.

Christopher Furman

President and Chief Executive Officer
Ventura Foods, LLC

Julia Gouw

Retired President and Chief Operating Officer
East West Bank

Louise Pentland

Chief Counsel and Strategic Advisor to the Chairman
of Disney Parks, Experiences, and Products
The Walt Disney Company

Michael Shepherd

Retired Chairman and Chief Executive Officer
BancWest Corporation

Scott Stowell

Founder, Chief Executive Officer and President
Capital Thirteen LLC

Peter Taylor

Retired President
ECMC Foundation

Maria Teresa Tejada

Expert Partner
Bain & Co., Inc.

Kerry Williams

Retired President and Chief Operating Officer
Experian

Dean Yoost

Retired Partner
PricewaterhouseCoopers

Leadership

Darryl Button^{1,2}

President and Chief Executive Officer

Dawn Behnke

Executive Vice President, Consumer Markets

Mary Beth Eckert

Executive Vice President and Chief Information
and Digital Officer

Adrian Griggs^{1,2}

Executive Vice President and Chief Operating Officer

David Howell

Chief Executive Officer, Pacific Life Re

Tod Nasser

Executive Vice President and Chief Investment Officer

Jay Orlandi^{1,2}

Executive Vice President and General Counsel

Alessandro Papa

Executive Vice President and Chief Risk Officer

Vibhu Sharma^{1,2}

Executive Vice President and Chief Financial Officer

Brian Woolfolk²

Executive Vice President, Institutional

¹ Director of Pacific LifeCorp ² Director of Pacific Life Insurance Company





Contact Information

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www.PacificLifeRe.com

Workforce Benefits
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To download a copy of our Annual Report, visit PacificLife.com.

Pacific Life Insurance Company, an indirect wholly owned subsidiary of Pacific Mutual Holding Company, is licensed in the District of Columbia and all states except New York. In New York, individual life insurance and annuity products are available through Pacific Life & Annuity Company, a subsidiary of Pacific Life Insurance Company. Product availability and features vary by state. Insurance product and rider guarantees are backed by the financial strength and claims-paying ability of the issuing company and do not protect the value of the variable investment options. Each company is solely responsible for the financial obligations accruing under the policies it issues. Variable products are issued by Pacific Life Insurance Company and Pacific Life & Annuity Company. These products are distributed by Pacific Select Distributors, LLC (member FINRA and SIPC), a subsidiary of Pacific Life Insurance Company and an affiliate of Pacific Life & Annuity Company. In order to sell life insurance products, a financial professional must be a properly licensed and appointed life insurance producer. For current financial strength ratings, please visit us online at www.PacificLife.com/Ratings.

To view a copy of Pacific Mutual Holding Company's 2023 audited GAAP consolidated financial statements, please visit www.PacificLife.com/Financials.

With respect to the customer story on page 5, the material and opinions voiced are for general information only and are not intended to provide a recommendation to any individual or entity. Securities and Investment Advisory Services Offered Through M Holdings Securities, Inc. A Registered Broker/Dealer and Investment Advisor, Member FINRA/SIPC. Eagle Rock Wealth Management, Inc. and Greenberg & Rapp Financial Group, Inc. are independently owned and operated. File #6407832.1





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