Pacific Life NAIC Climate Risk Survey Response

As of August 31, 2024

Governance

- Open-ended questions
  - Disclose the insurer’s governance around climate-related risks and opportunities. In disclosing the insurer’s governance around climate-related risks and opportunities insurers should consider including the following:
    - Identify and include any publicly stated goals on climate-related risks and opportunities.
    - Describe where climate-related disclosure is handled within the insurer’s structure, e.g., at a group level, entity level, or a combination. If handled at the group level, describe what activities are undertaken at the company level.
    - Describe the board and/or committee responsible for the oversight of climate-related risks and opportunities.
  - In describing the position on the board and/or committee responsible for the oversight of managing the climate-related financial risks, insurers should consider including the following:
    - Describe the position on the board and/or committee responsible for the oversight of managing the climate-related financial risks.
    - Describe management's role in assessing and managing climate-related risks and opportunities
- Closed-ended questions
  - Does the insurer have publicly stated goals on climate-related risks and opportunities? (Y/N)
  - Does your board have a member, members, a committee, or committees responsible for the oversight of managing the climate-related financial risks? (Y/N)
  - Does management

Pacific Mutual Holding Company ("PMHC"), a Nebraska mutual insurance holding company, is the parent of Pacific LifeCorp, an intermediate Delaware stock holding company ("PLC"). PLC owns 100% of Pacific Life Insurance Company ("PLIC"), a Nebraska domiciled stock life insurance company. PLIC owns 100% of Pacific Life & Annuity Company ("PL&A"), an Arizona domiciled stock life insurance company. The PMHC Board's responsibility is consistent with the oversight role of responsible business, risk management, and stewardship and includes oversight of the CSR program, which takes into account climate-related risks and opportunities. The Board convenes at least five times per year, but unscheduled meetings may be called at any time to address specific needs of Pacific Life including climate-related matters. Committees of the Board are updated at least once per year on CSR topics and as needed for informational or decision-making purposes.

Committee structures are created to facilitate and assist in the execution of the Board's responsibilities. At each regular meeting of the Board, the committees are required to report significant matters reviewed by the committee and matters considered and acted upon. In addition to the full Board's oversight, climate-related risks are considered by the Audit Committee, Investment and Finance Committee, and Governance and Nominating Committee. Specific responsibilities are described below:

- Audit Committee
    - Discuss overall policies concerning the company's risk assessment and risk management framework, inclusive of climate-related risks
    - Review and discuss with management specific insurance and operational risks facing the organization as delegated to the Committee by the Board, and the steps management has taken to monitor and control these risks
    - Direct reports from management sub-committees that may include climate-related risks such as the Enterprise Risk Committee, Emerging Risk Committee, and Model Risk Committee on a periodic basis
- Investment and Finance Committee
    - Review and advise investment policies, investment transactions, financial risk management, and corporate capital transactions, including policies related to responsible investment and financial risk management related to climate risks
    - Discuss with management financial market and economic risks, including risks which may be climate-related, and the steps management has taken to manage these risks
    - Review the Own Risk and Solvency Assessment and Enterprise Risk Report required to be submitted by applicable state insurance regulators, which may include climate-related risk information
- Governance and Nominating Committee
    - Carry out duties and responsibilities related to the management of risk, including climate-related risks, as may from time to time be required by applicable law or other applicable governing documents, or delegated or requested by the Board
    - Monitor and advise the Corporate Social Responsibility team. The Corporate Social Responsibility team leads efforts in drafting the annual CSR report and manages climate initiatives

Management Oversight

Management groups or sub-committees also have responsibility for identifying and assessing climate-related risks and reporting potential exposures to their respective standing committees. The

Strategy

- Open-ended questions
  - Disclose the actual and potential impacts of climate-related risks and opportunities on the insurer’s businesses, strategy, and financial planning where such information is material. In disclosing the actual and potential impacts of climate-related risks and opportunities on the insurer’s businesses, strategy and financial planning, insurers should consider including the following:
    - Describe the steps the insurer has taken to engage key constituencies on the topic of climate risk and resiliency.
    - Describe the insurer's plan to assess, reduce, or mitigate its greenhouse gas emissions in its operations or organizations.
    - Describe the climate-related risks and opportunities the insurer has identified over the short, medium, and long term.
      - In describing the climate-related risks and opportunities the insurer has identified over the short, medium, and longer term, insurers should consider including the following:
        (1) Define short, medium, and long-term, if different than 1-5years as short term, 5-10years as medium term, and 10-30years as long term.
    - Describe the impact of climate-related risks and opportunities on the insurer’s business, strategy, and financial planning.
      - In describing the impact of climate-related risks and opportunities on the

Strategy Open-ended Response

Through Pacific Life's risk identification process and prioritization structure, current strategies are monitored and adapted to mitigate the exposure to climate risks for all processes within the business.

the low carbon transition; carbon tax, labor costs, retrofit costs, etc. Effects driven from the climate scenarios can result in losses due to default, which is then used to calculate projected actual loss value. The analysis has affected strategies for credit decisions in various aspects of the investment portfolio. Divestment and investment opportunities are being analyzed for new types of financial investments that are more resilient to climate risk under each scenario. We intend to repeat climate scenario analysis on a regular cadence, adjusting the frequency as results dictate.

Lastly, Pacific Life has taken steps to take advantage of climate-related opportunities through the creation of the Sustainable Financing Framework. The framework was created to help improve the quality of life of individuals and families, and the social responsibility programs focus on doing this in the communities where Pacific Life employees live and work. Pacific Life will not provide funding through its Sustainable Financing Framework and sustainable note offerings if the borrower is associated with the following climate-related risks: activities related to the exy1(e)] TJETQ0.00000912 0 612 792 re to determine priorities, engage the appropriate stakeholders and address issues related to climate, while supporting integration of processes that support the business.

Scope 1 and 2 greenhouse gas emissions are calculated annually using 2019 as a baseline. Emissions targets may be set in the future. Current company and employee efforts to limit Pacific Life's environmental footprint include:

- Providing the option for policyholders to receive electronic account statements and e-delivery of required mailings
- Increased use of digital files in lieu of paper files
- Office buildings that incorporate green concepts and technology, including smart thermostats, efficient reflective roofs, high energy efficiency lighting, systems, as well as sustainable materials
- Consideration of green leasing options in real estate procurement
- Proactive electronic waste, bottle & can recycling, and trash recycling programs
- Landscaping with drought-tolerant plants to reduce water consumption
- Completed work with Southern California Edison Electric company to reduce energy usage and still meet business needs
- Changes to kitchen equipment and air conditioning optimization to reduce gas consumption.
- Energy-efficient LED lighting in office buildings' common areas
- Data center optimization to reduce energy usage and increase efficiency
- Purchase of hardware certified to be energy efficient including Energy Star

Strategy Closed-ended Response

- Has the insurer taken steps to engage key constituencies on the topic of climate risk and resiliency?
    - Yes
- Does the insurer provide products or services to support the transition to a low carbon economy or help customers adapt to climate risk?
    - - Yes, 2 ESG funds
- Does the insurer make investments to support the transition to a low carbon economy?
    - Yes
- Does the insurer have a plan to assess, reduce or mitigate its greenhouse gas emissions in its

Risk Management

insurance portfolio is done to monitor the number of policyholders per region. There are not currently any parameters influenced by climate risk in pricing or valuation models, but evolving underwriting practices and modeling methodologies may lead to future assumption changes.

Investment Portfolio Risk Management

Pacific Life's investment team has made significant progress in identifying climate risk in the portfolio and in incorporating climate risk assessments into the underwriting process. To help prepare the investment portfolio for transition risks, Pacific Life created a roadmap through 2025 that outlines a process to better measure and manage these risks. Significant resources have also been invested to estimate the financial impact of climate risk on the portfolio in different climate scenarios with an aim to chart the next set of tangible actions at the conclusion of the analysis. This also includes analysis on investments such as real estate, integrating operational risk assessment.

Regulatory Risk Management

Pacific Life

the Greenhouse Gas Protocol developed by the World Resources Institute and World Business Council for Sustainable Development (GHG Protocol). The emissions manual is reviewed and updated at least annually based on developments in data collection, calculation, and data quality