

## **STATEMENT OF ADDITIONAL INFORMATION**

**May 1, 2022**

### **Schwab Retirement Income Variable Annuity™**

#### **SEPARATE ACCOUNT A**

Schwab Retirement Income Variable Annuity (the “Contract”) is a variable annuity contract offered by Pacific Life & Annuity Company (“PL&A”).

This Statement of Additional Information (“SAI”) is not a Prospectus and should be read in conjunction with the Contract’s Prospectus, dated May 1, 2022, and any supplement thereto, which is available without charge upon written or telephone request to PL&A. Terms used in this SAI have the same meanings as in the Prospectus, and some additional terms are defined particularly for this SAI. This SAI is incorporated by reference into the Contract’s Prospectus.

Pacific Life & Annuity Company

Mailing address: P.O. Box 2829

Omaha, Nebraska 68103-2829

(800) 748-6907 - Contract Owners

(800) 610-4823 – Schwab investment professionals

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## **PACIFIC LIFE & ANNUITY COMPANY AND THE SEPARATE ACCOUNT**

### **Pacific Life & Annuity Company**

Pacific Life & Annuity Company is a life insurance company domiciled in Arizona. Our operations include life insurance, annuity, institutional products, and various other insurance products and services.

We are authorized to conduct our life insurance and annuity business in New York. Our executive office is located at 700 Newport Center Drive, Newport Beach, California 92660.

PL&A was incorporated in 1982 under the name of Pacific Financial Life Insurance Company. We merged with Pacific Financial Life Insurance Company of Arizona and assumed the PM Group Life Insurance Company in transferring domicile from California to Arizona, which was completed in 1990. On January 1, 1999, we changed our name to our current name, Pacific Life & Annuity Company.

We may provide you with reports of our ratings both as an insurance company and as to our claims-paying ability with respect to our General Account assets.

Pursuant to Commodity Futures Trading Commission Rule 4.5, PL&A has claimed an exclusion from the definition of the term “commodity pool operator” under the Commodity Exchange Act. Therefore, it is not subject to registration or regulation as a commodity pool operator under the Commodity Exchange Act.

#### *Pacific Life*

Pacific Life Insurance Company administers the policies sold under this Prospectus. Pacific Life’s executive office is located at 700 Newport Center Drive, Newport Beach, California 92660.

### **Separate Account A**

Separate Account A was established on January 25, 1999 as a separate account of ours, and is registered with the SEC under the Investment Company Act of 1940 (the “1940 Act”), as a type of investment company called a “unit investment trust.”

Obligations arising under your Contract are our general corporate obligations. We are also the legal owner of the assets in the Separate Account. Assets of the Separate Account attributed to the reserves and other liabilities under the Contract and other contracts issued by us that are supported by the Separate Account may not be charged with liabilities arising from any of our other business; any income, gain or loss (whether or not realized) from the assets of the Separate Account are credited to or charged against the Separate Account without regard to our other income, gain or loss. We must keep assets in the Separate Account equal to the reserves and contract liabilities (*i.e.* amounts at least equal to the aggregate variable account value) sufficient to pay obligations under the contracts funded by the Separate Account.

We may invest money in the Separate Account in order to commence its operations and for other purposes, but not to support contracts other than variable annuity contracts. A portion of the Separate Account’s assets may include accumulations of charges we make against the Separate Account and investment results of assets so accumulated. These additional assets are ours and we may transfer them to our General Account at any time; however, before making any such transfer, we will consider any possible adverse impact the transfer might have on the Separate Account. Subject to applicable law, we reserve the right to transfer our assets in the Separate Account to our General Account.

The Separate Account may not be the sole investor in the Funds. Investment in a Fund by other separate accounts in connection with variable annuity and variable life insurance contracts may create conflicts. See the Prospectus and SAI for the Funds for more information.

## **PRINCIPAL UNDERWRITER AND DISTRIBUTION OF THE CONTRACTS**

### **Pacific Select Distributors, LLC (PSD)**

Pacific Select Distributors, LLC, our affiliate, acts as the principal underwriter (distributor) of the Contracts and offers the Contracts on a continuous basis. PSD is located at 700 Newport Center Drive, Newport Beach, California

92660. PSD is registered as a broker-dealer with the SEC and is a member of FINRA. We pay PSD for acting as distributor under a Distribution Agreement. We and PSD entered into a selling agreement with Charles Schwab & Co., Inc. (“Schwab”) whose Schwab investment professionals are authorized by the Superintendent of the New York State Department of Financial Services to solicit applications for the Contracts. The aggregate amount of underwriting commissions paid to PSD for 2021, 2020 and 2019 with regard to this Contract was \$38,246, \$34,255, and \$32,805 respectively, of which \$0 was retained.

PSD or an affiliate pays Schwab compensation for the promotion and sale of the Contracts. PSD or an affiliate also may provide reimbursement for other expenses associated with the promotion and solicitation of applications for the Contracts. Your Schwab investment professional typically receives a portion of the compensation that is payable to Schwab in connection with the Contract, depending on the arrangement between your Schwab investment professional and Schwab. We are not involved in determining that compensation arrangement, which may present its own incentives or conflicts. You may ask your Schwab investment professional how he/she will personally be compensated for the transaction.

PSD Pays Schwab an annual trail commission of 0.20% of the Account Value considered in connection with the trail commission.

We and/or an affiliate may pay additional cash compensation from our own resources in connection with the promotion and solicitation of applications for the Contracts. Trailing compensation based on Account Value generally does not exceed 0.00% on an annual basis. Such additional compensation may afford us a “preferred” status at Schwab and provide some other marketing benefit such as website placement, access to Schwab investment professional lists, extra marketing assistance or other heightened visibility and access that otherwise influences the way that Schwab markets the Contracts.

We or our affiliates may also pay override payments, expense allowances and reimbursements, bonuses, wholesaler fees, and training and marketing allowances. Such payments may offset Schwab’s expenses in connection with activities that it is required to perform, such as educating personnel and maintaining records. Schwab investment professionals may also receive non-cash compensation, such as expense-paid educational or training seminars involving travel within and outside the U.S. or promotional merchandise.

Portfolio Managers of the underlying Portfolios available under this Contract may from time to time bear all or a portion of the expenses of conferences or meetings sponsored by PL&A or PSD that are attended by, among others, representatives of PSD, who would receive information and/or training regarding the Fund’s Portfolios and their management by the Portfolio Managers in addition to information regarding the variable annuity and/or life insurance products issued by PL&A and its affiliates. Other persons may also attend all or a portion of any such conferences or meetings, including directors, officers and employees of PL&A, and spouses/guests of the foregoing. Additional expenses and promotional items may be paid for by PL&A and/or Portfolio Managers.

## PERFORMANCE

From time to time, our reports or other communications to current or prospective Contract Owners or our advertising or other promotional material may quote the performance (yield and total return) of a Subaccount. Quoted results are based on past performance and reflect the performance of all assets held in that Subaccount for the stated time period. **Quoted results are neither an estimate nor a guarantee of future investment performance, and do not represent the actual experience of amounts invested by any particular Contract Owner.**

### Total Returns

A Subaccount may advertise its “average annual total return” over various periods of time. “Total return” represents the average percentage change in value of an investment in the Subaccount from the beginning of a measuring period to the end of that measuring period. “Annualized” total return assumes that the total return achieved for the measuring period is achieved for each full year period. “Average annual” total return is computed in accordance with a standard method prescribed by the SEC, and is also referred to as “standardized return.”

#### *Average Annual Total Return*

To calculate a Subaccount’s average annual total return for a specific measuring period, we first take a hypothetical \$1,000 investment in that Subaccount, at its applicable Subaccount Unit Value (the “initial payment”) and we

compute the ending redeemable value of that initial payment at the end of the measuring period based on the investment experience of that Subaccount (“full withdrawal value”). The full withdrawal value reflects the effect of all recurring Contract fees and charges applicable to a Contract Owner under the Contract, including the asset-based Risk Charge and the asset-based Administrative Fee, but does not reflect any charges for applicable premium taxes and/or any other taxes, any non-recurring fees or charges, any increase in the Risk Charge for an optional Death Benefit Rider, or any optional living benefit rider charge. The redeemable value is then divided by the initial payment and this quotient is raised to the 365/N power (N represents the number of days in the measuring period), and 1 is subtracted from this result. Average annual total return is expressed as a percentage.

$$T = (ERV/P)^{(365/N)} - 1$$

where T = average annual total return

ERV = ending redeemable value

P = hypothetical initial payment of \$1,000

N = number of days

Average annual total return figures will be given for recent 1-, 3-, 5- and 10-year periods (if applicable), and may be given for other periods as well (such as from commencement of the Subaccount’s operations, or on a year-by-year basis).

When considering “average” total return figures for periods longer than one year, it is important to note that the relevant Subaccount’s annual total return for any one year in the period might have been greater or less than the average for the entire period.

### *Aggregate Total Return*

A Subaccount may use “aggregate” total return figures along with its “average annual” total return figures for various periods; these figures represent the cumulative change in value of an investment in the Subaccount for a specific period. Aggregate total returns may be shown by means of schedules, charts or graphs and may indicate subtotals of the various components of total return. The SEC has not prescribed standard formulas for calculating aggregate total return.

### *Non-Standardized Total Returns*

We may also calculate non-standardized total returns which may or may not reflect any charges for premium taxes and/or any other taxes, any increase in the Risk Charge for an optional Death Benefit Rider, any optional living benefit rider charge, or any non-recurring fees or charges.

Standardized return figures will always accompany any non-standardized returns shown.

### **Yields**

“Yield” of the Subaccounts is computed in accordance with a standard method prescribed by the SEC. The net investment income (investment income less expenses) per Subaccount Unit earned during a specified one-month or 30-day period is divided by the Subaccount Unit Value on the last day of the specified period. This result is then annualized (that is, the yield is assumed to be generated each month or each 30-day period for a year), according to the following formula, which assumes semi-annual compounding:

$$YIELD = 2 * [ (\frac{a-b}{c*d} + 1)^6 - 1 ]$$

where: a = net investment income earned during the period by the Portfolio attributable to the Subaccount.

b = expenses accrued for the period (net of reimbursements).

c = the average daily number of Subaccount Units outstanding during the period that were entitled to receive dividends.

d = the Unit Value of the Subaccount Units on the last day of the period.

The yield of each Subaccount reflects the deduction of all recurring fees and charges applicable to the Subaccount, such as the asset-based Risk Charge, and the asset-based Administrative Fee, but does not reflect any charge for applicable premium taxes and/or any other taxes, any increase in the Risk Charge for an optional Death Benefit Rider, any optional living benefit rider charge, or any non-recurring fees or charges.

The Subaccounts' yields will vary from time to time depending upon market conditions, the composition of each Portfolio and operating expenses of the Fund allocated to each Portfolio. Consequently, any given performance quotation should not be considered representative of the Subaccount's performance in the future. Yield should also be considered relative to changes in Subaccount Unit Values and to the relative risks associated with the investment policies and objectives of the various Portfolios. In addition, because performance will fluctuate, it may not provide a basis for comparing the yield of a Subaccount with certain bank deposits or other investments that pay a fixed yield or return for a stated period of time.

## **Performance Comparisons and Benchmarks**

In advertisements and sales literature, we may compare the performance of some or all of the Subaccounts to the performance of other variable annuity issuers in general and to the performance of particular types of variable annuities investing in mutual funds, or series of mutual funds, with investment objectives similar to each of the Subaccounts. This performance may be presented as averages or rankings compiled by Lipper Analytical Services, Inc. ("Lipper"), or Morningstar, Inc. ("Morningstar"), which are independent services that monitor and rank the performance of variable annuity issuers and mutual funds in each of the major categories of investment objectives on an industry-wide basis. Lipper's rankings include variable life issuers as well as variable annuity issuers. The performance analyses prepared by Lipper and Morningstar rank such issuers on the basis of total return, assuming reinvestment of dividends and distributions, but do not take sales charges, redemption fees or certain expense deductions at the separate account level into consideration. In addition, Morningstar prepares risk adjusted rankings, which consider the effects of market risk on total return performance. We may also compare the performance of the Subaccounts with performance information included in other publications and services that monitor the performance of insurance company separate accounts or other investment vehicles. These other services or publications may be general interest business publications such as *The Wall Street Journal*, *Barron's*, *Business Week*, *Forbes*, *Fortune*, and *Money*.

In addition, our reports and communications to Contract Owners, advertisements, or sales literature may compare a Subaccount's performance to various benchmarks that measure the performance of a pertinent group of securities widely regarded by investors as being representative of the securities markets in general or as being representative of a particular type of security. We may also compare the performance of the Subaccounts with that of other appropriate indices of investment securities and averages for peer universes of funds or data developed by us derived from such indices or averages. Unmanaged indices generally assume the reinvestment of dividends or interest but do not generally reflect deductions for investment management or administrative costs and expenses.

### *Tax Deferred Accumulation*

In reports or other communications to you or in advertising or sales materials, we may also describe the effects of tax-deferred compounding on the Separate Account's investment returns or upon returns in general. These effects may be illustrated in charts or graphs and may include comparisons at various points in time of returns under the Contract or in general on a tax-deferred basis with the returns on a taxable basis. Different tax rates may be assumed.

In general, individuals who own annuity contracts are not taxed on increases in the value under the annuity contract until some form of distribution is made from the contract (Non-Natural Persons as Owners may not receive tax deferred accumulation). Thus, the annuity contract will benefit from tax deferral during the accumulation period, which generally will have the effect of permitting an investment in an annuity contract to grow more rapidly than a comparable investment under which increases in value are taxed on a current basis. The following chart illustrates this benefit by comparing accumulation under a variable annuity contract with accumulations from an investment on which gains are taxed on a current ordinary income basis.

The chart shows a single Purchase Payment of \$10,000, assuming hypothetical annual returns of 0%, 4% and 8%, compounded annually, and a tax rate of 32%. The values shown for the taxable investment do not include any deduction for management fees or other expenses but assume that taxes are deducted annually from investment returns. The values shown for the variable annuity do not reflect the asset-based Risk Charge, and the asset-based

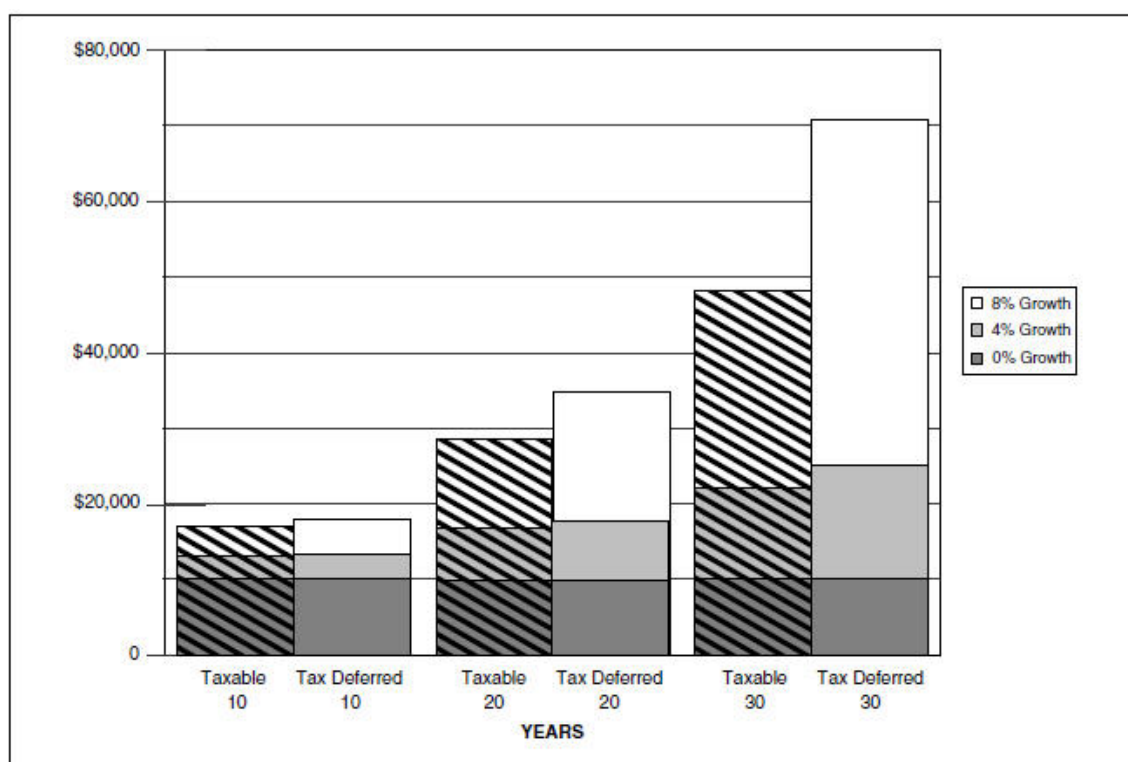
Administrative Fee, any charge for applicable premium taxes and/or any other taxes, any increase in the Risk Charge for an optional death benefit rider, any optional living benefit rider charge, or any underlying Fund expenses.

If above expenses and fees were taken into account, they would reduce the investment return shown for both the taxable investment and the hypothetical variable annuity contract. In addition, these values assume that you do not surrender the Contract or make any withdrawals until the end of the period shown. The chart assumes a full withdrawal, at the end of the period shown, of all Contract Value and the payment of taxes at the 32% rate on the amount in excess of the Purchase Payment.

The rates of return illustrated are hypothetical and are not an estimate or guarantee of performance. Actual tax rates may vary for different assets (e.g. capital gains and qualifying dividend income) and taxpayers from that illustrated. Withdrawals by and distributions to Contract Owners who have not reached age 59½ may be subject to a tax penalty of 10%.

### Power of Tax Deferral

\$10,000 investment at annual rates of return of 0%, 4% and 8%, taxed @ 32%



### THE CONTRACTS

#### Calculating Subaccount Unit Values

The Unit Value of the Subaccount Units in each Variable Investment Option is computed at the close of the New York Stock Exchange, which is usually 4:00 p.m. Eastern time on each Business Day. The initial Unit Value of each Subaccount was \$10 on the Business Day the Subaccount began operations. At the end of each Business Day, the Unit Value for a Subaccount is equal to:

$$Y \times Z$$

where (Y) = the Unit Value for that Subaccount as of the end of the preceding Business Day; and

(Z) = the Net Investment Factor for that Subaccount for the period (a "valuation period") between that Business Day and the immediately preceding Business Day.

The “Net Investment Factor” for a Subaccount for any valuation period is equal to:

$$(A \div B) - C$$

where (A) = the “per share value of the assets” of that Subaccount as of the end of that valuation period, which is equal to:  $a+b+c$

where (a) = the net asset value per share of the corresponding Portfolio shares held by that Subaccount as of the end of that valuation period;

(b) = the per share amount of any dividend or capital gain distributions made by the Fund for that Portfolio during that valuation period; and

(c) = any per share charge (a negative number) or credit (a positive number) for any income taxes or other amounts set aside during that valuation period as a reserve for any income and/or any other taxes which we determine to have resulted from the operations of the Subaccount or Contract, and/or any taxes attributable, directly or indirectly, to Investments;

(B) = the net asset value per share of the corresponding Portfolio shares held by the Subaccount as of the end of the preceding valuation period; and

(C) = a factor that assesses against the Subaccount net assets for each calendar day in the valuation period, the basic Risk Charge plus the Administrative Fee and any applicable increase in the Risk Charge (see the **CHARGES, FEES AND DEDUCTIONS** section in the Prospectus).

### **Corresponding Dates**

If any transaction or event under your Contract is scheduled to occur on a “corresponding date” that does not exist in a given calendar period, the transaction or event will be deemed to occur on the following Business Day. In addition, as stated in the Prospectus, any event scheduled to occur on a day that is not a Business Day will occur on the next succeeding Business Day.

*Example:* If your Contract is issued on February 29 in year 1 (a leap year), your Contract Anniversary in years 2, 3 and 4 will be on March 1.

*Example:* If your Annuity Date is July 31, and you select monthly annuity payments, the payments received will be based on valuations made on July 31, August 31, October 1 (for September), October 31, December 1 (for November), December 31, January 31, March 1 (for February), March 31, May 1 (for April), May 31 and July 1 (for June).

### **Age and Sex of Annuitant**

The Contracts generally provide for sex-distinct annuity income factors in the case of life annuities. Statistically, females tend to have longer life expectancies than males; consequently, if the amount of annuity payments is based on life expectancy, they will ordinarily be higher if an annuitant is male than if an annuitant is female. Certain states’ regulations prohibit sex-distinct annuity income factors, and Contracts issued in those states will use unisex factors. In addition, Contracts issued in connection with certain Qualified Plans are required to use unisex factors.

We may require proof of your Annuitant’s age and/or sex before or after commencing annuity payments. If the age or sex (or both) of your Annuitant are incorrectly stated in your Contract, we will correct the amount payable to equal the amount that the annuitized portion of the Contract Value under that Contract would have purchased for your Annuitant’s correct age and sex. If we make the correction after annuity payments have started, and we have made overpayments based on the incorrect information, we will deduct the amount of the overpayment, with interest as stated in your Contract, from any payments due then or later; if we have made underpayments, we will add the amount, with interest as stated in your Contract, of the underpayments to the next payment we make after we receive proof of the correct age and/or sex.

Additionally, we may require proof of the Annuitant’s or Owner’s age before any payments associated with the Death Benefit provisions of your Contract are made. If the age or sex of the Annuitant is incorrectly stated in your Contract, we will base any payment associated with the Death Benefit provisions on your Contract on the Annuitant’s or Owner’s correct age or sex.



## **Systematic Transfer Program**

Work with your Schwab investment professional prior to electing portfolio rebalancing.

### *Portfolio Rebalancing*

Portfolio rebalancing allows you to maintain the percentage of your Contract Value allocated to each Variable Investment Option at a pre-set level prior to annuitization.

For example, you could specify that 30% of your Contract Value should be in Subaccount A, 40% in Subaccount B, and 30% in Subaccount C.

Over time, the variations in each Subaccount's investment results will shift this balance of these Subaccount Value allocations. If you elect the portfolio rebalancing feature, we will automatically transfer your Subaccount Value back to the percentages you specify.

You may choose to have rebalances made quarterly, semi-annually or annually.

You may make your request at any time prior to your Annuity Date and it will be effective when we receive it In Proper Form. If you stop portfolio rebalancing, you must wait 30 days to begin again. Currently, we are not enforcing the 30 day waiting period but we reserve the right to enforce such waiting period in the future. We will provide at least a 30 day prior notice before we enforce the 30 day waiting period. If you request rebalancing on your application but do not specify a date for the first rebalance, it will occur one period after your Contract Date. We may change, terminate or suspend the portfolio rebalancing feature at any time. Portfolio rebalancing will stop on the Annuity Date.

## **Pre-Authorized Withdrawals**

You may specify a dollar amount for your pre-authorized withdrawals, or you may specify a percentage of your Contract Value or living benefit rider, if applicable. You may direct us to make your pre-authorized withdrawals from one or more specific Investment Options. If you do not give us these specific instructions, amounts will be deducted proportionately from your Account Value in each Investment Option.

You may choose to have pre-authorized withdrawals occur monthly, quarterly, semi-annually or annually until you annuitize. Procedures for selecting pre-authorized withdrawals are generally the same as those discussed in detail above for selecting portfolio rebalancing: You may make your request at any time and it will be effective when we receive it In Proper Form. If you stop the pre-authorized withdrawals, you must wait 30 days to begin again. Currently, we are not enforcing the 30-day waiting period but we reserve the right to enforce such waiting period in the future. We will provide at least a 30 day prior notice before we enforce the 30-day waiting period.

Each pre-authorized withdrawal is subject to any applicable charge for premium taxes and/or other taxes, to federal income tax on its taxable portion, and, if you have not reached age 59½, may be subject to a 10% federal tax penalty.

## **More on Federal Tax Issues**

Section 817(h) of the Code provides that the investments underlying a variable annuity must satisfy certain diversification requirements. Details on these diversification requirements generally appear in the Fund SAIs. We believe the underlying Variable Investment Options for the Contract meet these requirements. On March 7, 2008, the Treasury Department issued Final Regulations under Section 817(h). These Final Regulations do not provide guidance concerning the extent to which you may direct your investments to particular divisions of a separate account. Such guidance may be included in regulations or revenue rulings under Section 817(d) relating to the definition of a variable contract. We reserve the right to make such changes as we deem necessary or appropriate to ensure that your Contract continues to qualify as an annuity for tax purposes. Any such changes will apply uniformly to affected Contract Owners and will be made with such notice to affected Contract Owners as is feasible under the circumstances.

For a variable life insurance contract or a variable annuity contract to qualify for tax deferral, assets in the separate accounts supporting the contract must be considered to be owned by the insurance company and not by the contract owner. Under current U.S. tax law, if a contract owner has excessive control over the investments made by a separate account, or the underlying fund, the contract owner will be taxed currently on income and gains from the

account or fund. In other words, in such a case of “investor control” the contract owner would not derive the tax benefits normally associated with variable life insurance or variable annuities.

Generally, according to the IRS, there are two ways that impermissible investor control may exist. The first relates to the design of the contract or the relationship between the contract and a separate account or underlying fund. For example, at various times, the IRS has focused on, among other factors, the number and type of investment choices available pursuant to a given variable contract, whether the contract offers access to funds that are available to the general public, the number of transfers that a contract owner may make from one investment option to another, and the degree to which a contract owner may select or control particular investments.

With respect to this first aspect of investor control, we believe that the design of our contracts and the relationship between our contracts and the Portfolios satisfy the current view of the IRS on this subject, such that the investor control doctrine should not apply. However, because of some uncertainty with respect to this subject and because the IRS may issue further guidance on this subject, we reserve the right to make such changes as we deem necessary or appropriate to reduce the risk that your contract might not qualify as a life insurance contract or as an annuity for tax purposes.

The second way that impermissible investor control might exist concerns your actions. Under case law and IRS guidance, you may not select or control particular investments, other than choosing among broad investment choices such as selecting a particular Portfolio. You may not select or direct the purchase or sale of a particular investment of a Separate Account, a Subaccount (or Variable Investment Option), or a Portfolio. All investment decisions concerning the Separate Accounts and the Subaccounts must be made by us, and all investment decisions concerning the underlying Portfolios must be made by the portfolio manager for such Portfolio in his or her sole and absolute discretion, and not by the contract owner. Furthermore, you may not enter into an agreement or arrangement with a portfolio manager of a Portfolio or communicate directly or indirectly with such a portfolio manager or any related investment officers concerning the selection, quality, or rate of return of any specific investment or group of investments held by a Portfolio, and you may not enter into any such agreement or arrangement or have any such communication with us or the portfolio manager of a Portfolio.

Finally, the IRS may issue additional guidance on the investor control doctrine, which might further restrict your actions or features of the variable contract. Such guidance could be applied retroactively. If any of the rules outlined above are not complied with, the IRS may seek to tax you currently on income and gains from a Portfolio such that you would not derive the tax benefits normally associated with variable life insurance or variable annuities. Although highly unlikely, such an event may have an adverse impact on the fund and other variable contracts. We urge you to consult your own tax advisor with respect to the application of the investor control doctrine.

### **Safekeeping of Assets**

We are responsible for the safekeeping of the assets of the Separate Account. These assets are held separate and apart from the assets of our General Account and our other separate accounts.

## **FINANCIAL STATEMENTS**

The financial statements of Separate Account A of PL&A as of December 31, 2021 and for each of the periods presented, are included in this SAI. PL&A’s statutory basis financial statements as of December 31, 2021 and 2020 and for each of the three years in the period ended December 31, 2021 are included in this SAI. These financial statements should be considered only as bearing on the ability of PL&A to meet its obligations under the Contracts and not as bearing on the investment performance of the assets held in the Separate Account.

## **INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM AND INDEPENDENT AUDITORS**

The financial statements of Separate Account A of Pacific Life & Annuity Company as of December 31, 2021 and for each of the periods presented have been audited by Deloitte & Touche LLP, independent registered public accounting firm, as stated in their report appearing herein, and is included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The statutory basis financial statements of Pacific Life & Annuity Company as of December 31, 2021 and 2020 and for each of the three years in the period ended December 31, 2021 have been audited by Deloitte & Touche LLP,

independent auditors, as stated in their report appearing herein, and is included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The business address of Deloitte & Touche LLP is 695 Town Center Drive, Costa Mesa, CA 92626.

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**SEPARATE ACCOUNT A  
INVESTMENTS  
DECEMBER 31, 2021**

Each variable account invests in shares of the corresponding portfolio (with the same name). The shares owned and value of investments as of December 31, 2021; and the cost of purchases and proceeds from sales of investments for the year or period ended December 31, 2021, were as follows:

| Variable Accounts   | Shares Owned | Value       | Cost of Purchases | Proceeds from Sales |
|---|--------------|-------------|-------------------|---------------------|
| Core Income Class I *                                     | 109,464      | \$1,386,705 | \$267,728         | \$220,895           |
| Diversified Bond Class I *                                | 1,069,295    | 12,767,159  | 4,204,769         | 3,107,274           |
| Floating Rate Income Class I *                            | 692,425      | 9,549,608   | 1,659,586         | 1,861,475           |
| High Yield Bond Class I *                                 | 802,570      | 7,937,125   | 1,013,023         | 912,538             |
| Inflation Managed Class I *                               | 672,052      | 8,876,307   | 2,636,961         | 1,645,448           |
| Managed Bond Class I *                                    | 954,888      | 14,093,719  | 2,281,672         | 3,600,724           |
| Short Duration Bond Class I *                             | 1,324,792    | 14,183,068  | 3,811,833         | 3,024,191           |
| Emerging Markets Debt Class I *                           | 163,983      | 1,997,276   | 311,020           | 235,229             |
| Dividend Growth Class I *                                 | 762,595      | 28,126,562  | 4,326,599         | 3,361,184           |
| Equity Index Class I *                                    | 1,318,912    | 157,072,207 | 21,606,917        | 15,319,282          |
| Focused Growth Class I *                                  | 275,462      | 17,365,831  | 1,777,644         | 2,410,074           |
| Growth Class I *  | 214,134      | 13,897,861  | 2,434,634         | 2,168,768           |
| Hedged Equity Class I *                                   | 552,365      | 5,820,321   | 5,732,538         | 41,681              |
| Large-Cap Growth Class I *                                | 658,620      | 16,227,122  | 1,966,906         | 5,582,512           |
| Large-Cap Value Class I *                                 | 277,597      | 9,548,739   | 1,790,134         | 1,670,975           |
| Main Street® Core Class I *                               | 119,316      | 8,192,822   | 595,044           | 1,442,697           |
| Mid-Cap Equity Class I *                                  | 229,476      | 7,842,944   | 1,927,789         | 1,470,982           |
| Mid-Cap Growth Class I *                                  | 537,892      | 17,239,250  | 2,482,378         | 2,804,219           |
| Mid-Cap Value Class I *                                   | 250,564      | 6,868,231   | 2,680,382         | 1,469,756           |
| Small-Cap Equity Class I *                                | 107,011      | 3,232,445   | 487,354           | 741,325             |
| Small-Cap Growth Class I *                                | 258,826      | 8,654,475   | 1,030,354         | 1,530,464           |
| Small-Cap Index Class I *                                 | 405,172      | 14,275,246  | 3,874,763         | 2,225,087           |
| Small-Cap Value Class I *                                 | 196,770      | 6,064,778   | 2,465,799         | 2,631,630           |
| Value Class I *   | 156,449      | 3,061,200   | 309,830           | 805,749             |
| Value Advantage Class I *                                 | 180,473      | 4,405,649   | 2,467,351         | 757,261             |
| Emerging Markets Class I *                                | 331,057      | 7,328,285   | 1,443,929         | 1,719,529           |
| International Growth Class I *                            | 989          | 9,808       | 9,423             | 5                   |
| International Large-Cap Class I *                         | 683,905      | 9,422,508   | 1,044,536         | 959,417             |
| International Small-Cap Class I *                         | 131,781      | 1,750,255   | 208,961           | 250,525             |
| International Value Class I *                             | 358,041      | 5,106,940   | 1,060,776         | 1,256,881           |
| Health Sciences Class I *                                 | 486,821      | 31,512,343  | 4,187,578         | 3,971,961           |
| Real Estate Class I *                                     | 209,892      | 8,382,982   | 1,076,565         | 1,672,563           |
| Technology Class I *                                      | 1,219,121    | 20,152,830  | 3,384,372         | 4,183,940           |
| ESG Diversified Class I *                                 | 128,515      | 1,375,136   | 1,343,479         | 10,484              |
| ESG Diversified Growth Class I *                          | 769          | 7,773       | 7,500             | 3                   |
| PSF DFA Balanced Allocation Class D *                     | 876,645      | 14,835,055  | 3,173,984         | 791,960             |
| Pacific Dynamix - Conservative Growth Class I *           | 2,436,159    | 50,537,746  | 4,407,545         | 7,970,616           |
| Pacific Dynamix - Moderate Growth Class I *               | 6,090,810    | 169,827,149 | 15,465,861        | 17,433,559          |
| Pacific Dynamix - Growth Class I *                        | 3,275,423    | 108,023,578 | 41,279,150        | 5,285,117           |
| Portfolio Optimization Conservative Class I *             | 5,747,196    | 88,028,415  | 13,731,436        | 16,721,120          |
| Portfolio Optimization Moderate-Conservative Class I *    | 7,407,225    | 131,743,557 | 2,896,216         | 19,208,178          |
| Portfolio Optimization Moderate Class I *                 | 24,813,396   | 498,370,783 | 15,950,349        | 63,071,787          |
| Portfolio Optimization Growth Class I *                   | 17,831,785   | 403,159,284 | 8,362,308         | 47,897,252          |
| Portfolio Optimization Aggressive-Growth Class I *        | 4,144,580    | 99,027,022  | 1,397,042         | 11,294,109          |
| Invesco Oppenheimer V.I. International Growth Series II   | 406,589      | 1,244,162   | 698,976           | 217,733             |
| Invesco® V.I. Balanced-Risk Allocation Series II          | 1,987,086    | 20,963,754  | 2,996,607         | 2,478,138           |
| Invesco® V.I. Equity and Income Series II                 | 104,749      | 2,152,584   | 664,923           | 286,066             |
| Invesco® V.I. Global Real Estate Series II                | 139,955      | 2,453,407   | 724,503           | 189,431             |
| Invesco® V.I. Global Series II                            | 38,085       | 2,139,621   | 458,281           | 252,867             |
| American Century VP Mid Cap Value Class II                | 200,771      | 5,029,323   | 697,575           | 713,454             |
| American Funds IS Asset Allocation Class 4                | 9,075,758    | 259,203,634 | 26,602,549        | 25,598,127          |
| American Funds IS Capital Income Builder® Class 4         | 368,100      | 4,468,733   | 1,026,627         | 510,206             |
| American Funds IS Capital World Bond Class 4              | 116,200      | 1,344,432   | 433,165           | 165,056             |
| American Funds IS Capital World Growth and Income Class 4 | 159,985      | 2,886,126   | 792,442           | 311,422             |

**SEPARATE ACCOUNT A**  
**INVESTMENTS (Continued)**  
**DECEMBER 31, 2021**

| Variable Accounts  | Shares Owned | Value       | Cost of Purchases | Proceeds from Sales |
|--|--------------|-------------|-------------------|---------------------|
| American Funds IS Global Balanced Class 4                    | 274,268      | \$3,985,115 | \$1,050,451       | \$1,565,499         |
| American Funds IS Global Growth Class 4                      | 133,278      | 5,940,186   | 1,087,790         | 1,349,836           |
| American Funds IS Global Small Capitalization Class 4        | 77,662       | 2,559,729   | 1,008,433         | 165,065             |
| American Funds IS Growth Class 4                             | 301,157      | 37,280,217  | 14,096,117        | 8,076,693           |
| American Funds IS Growth-Income Class 4                      | 272,675      | 17,879,303  | 2,473,162         | 3,285,605           |
| American Funds IS American High-Income Trust Class 4         | 338,950      | 3,725,055   | 2,215,494         | 625,654             |
| American Funds IS International Class 4                      | 162,050      | 3,615,346   | 879,665           | 623,264             |
| American Funds IS International Growth and Income Class 4    | 108,979      | 2,095,671   | 235,365           | 293,063             |
| American Funds IS Managed Risk Asset Allocation Class P2     | 1,187,879    | 17,735,035  | 2,755,710         | 2,471,642           |
| American Funds IS New World Fund® Class 4                    | 123,938      | 3,871,810   | 1,462,667         | 694,150             |
| American Funds IS The Bond Fund of America Class 4           | 520,469      | 5,730,366   | 1,891,252         | 1,801,341           |
| American Funds IS U.S. Government Securities Class 4         | 341,362      | 3,932,486   | 926,098           | 2,559,604           |
| American Funds IS Washington Mutual Investors Class 4        | 620,614      | 10,991,065  | 3,234,197         | 1,151,434           |
| BlackRock® 60/40 Target Allocation ETF V.I. Class I          | 1,029,578    | 14,444,973  | 5,991,569         | 1,155,002           |
| BlackRock® Capital Appreciation V.I. Class III               | 53,325       | 522,589     | 229,111           | 230,280             |
| BlackRock® Global Allocation V.I. Class III                  | 8,378,343    | 120,480,572 | 28,486,260        | 18,299,032          |
| Fidelity® VIP Contrafund® Service Class 2                    | 838,668      | 44,038,470  | 12,065,162        | 5,674,282           |
| Fidelity® VIP FundsManager® 60% Service Class 2              | 3,467,307    | 42,855,914  | 7,414,443         | 3,329,726           |
| Fidelity® VIP Government Money Market Service Class          | 18,771,711   | 18,771,711  | 13,675,685        | 27,929,078          |
| Fidelity® VIP Strategic Income Service Class 2               | 665,822      | 7,730,189   | 2,682,726         | 1,009,220           |
| First Trust Dorsey Wright Tactical Core Class I              | 185,467      | 2,800,551   | 679,300           | 136,939             |
| First Trust Multi Income Allocation Class I                  | 80,762       | 1,017,606   | 322,639           | 158,333             |
| First Trust/Dow Jones Dividend & Income Allocation Class I   | 3,378,309    | 56,181,273  | 7,093,640         | 5,776,339           |
| Franklin Allocation VIP Class 2                              | 29,166       | 173,832     | 13,275            | 3,573               |
| Franklin Allocation VIP Class 4                              | 2,297,847    | 14,177,718  | 1,761,356         | 1,656,115           |
| Franklin Income VIP Class 2                                  | 673,856      | 11,293,828  | 1,571,854         | 1,372,072           |
| Franklin Mutual Global Discovery VIP Class 2                 | 251,122      | 4,924,498   | 360,380           | 1,460,615           |
| Franklin Rising Dividends VIP Class 2                        | 407,986      | 14,450,847  | 2,417,909         | 3,447,547           |
| Templeton Global Bond VIP Class 2 *                          | 419,709      | 5,510,778   | 881,002           | 1,356,466           |
| Ivy VIP Asset Strategy Class II                              | 113,179      | 1,153,160   | 613,922           | 31,321              |
| Ivy VIP Energy Class II                                      | 554,913      | 1,926,825   | 884,606           | 490,565             |
| Janus Henderson Balanced Service Shares                      | 8,629,348    | 458,563,575 | 80,658,762        | 24,210,051          |
| Janus Henderson Flexible Bond Service Shares                 | 244,543      | 3,245,089   | 1,749,977         | 936,370             |
| JPMorgan Insurance Trust Global Allocation Class 2           | 26,647       | 546,791     | 217,863           | 147,296             |
| JPMorgan Insurance Trust Income Builder Class 2              | 98,450       | 1,167,620   | 152,278           | 222,760             |
| ClearBridge Variable Aggressive Growth - Class II            | 59,233       | 1,385,453   | 1,117,933         | 117,544             |
| Lord Abbett Bond Debenture Class VC                          | 518,789      | 6,381,109   | 2,421,335         | 1,105,360           |
| Lord Abbett Total Return Class VC                            | 415,570      | 7,002,356   | 1,986,629         | 1,530,292           |
| MFS® Massachusetts Investors Growth Stock - Service Class    | 27,167       | 735,402     | 107,399           | 120,528             |
| MFS® Total Return Series - Service Class                     | 1,437,061    | 39,059,321  | 7,590,188         | 4,683,893           |
| MFS® Utilities Series - Service Class                        | 126,216      | 4,743,205   | 760,821           | 680,470             |
| MFS® Value Series - Service Class                            | 42,744       | 1,032,692   | 83,967            | 275,001             |
| Neuberger Berman U.S. Equity Index PutWrite Strategy Class S | 9,401        | 107,074     | 31,942            | 111,259             |
| PIMCO All Asset - Advisor Class                              | 19,944       | 232,550     | 153,121           | 48,176              |
| PIMCO CommodityRealReturn® Strategy - Advisor Class          | 116,362      | 912,278     | 483,379           | 96,097              |
| PIMCO Income - Advisor Class                                 | 126,618      | 1,381,408   | 1,159,842         | 142,346             |
| Schwab VIT Balanced  | 335,719      | 5,032,423   | 574,914           | 801,528             |
| Schwab VIT Balanced with Growth                              | 505,738      | 8,718,917   | 270,349           | 1,131,533           |
| Schwab VIT Growth  | 236,352      | 4,686,852   | 558,719           | 1,106,673           |
| State Street Total Return V.I.S. Class 3                     | 1,145,123    | 18,321,967  | 3,266,096         | 2,031,993           |
| VanEck VIP Global Resources Class S                          | 64,461       | 1,643,103   | 759,893           | 311,152             |

\* The variable account did not receive any dividend or capital gain distributions from its underlying portfolio during the reporting period.

**SEPARATE ACCOUNT A**  
**STATEMENTS OF ASSETS AND LIABILITIES**  
**DECEMBER 31, 2021**

|  | Variable Accounts                 |                                     |                                    |                               |                                 |                            |
|--|-----------------------------------|-------------------------------------|------------------------------------|-------------------------------|---------------------------------|----------------------------|
|  | Core<br>Income<br>Class I         | Diversified<br>Bond<br>Class I      | Floating<br>Rate Income<br>Class I | High Yield<br>Bond<br>Class I | Inflation<br>Managed<br>Class I | Managed<br>Bond<br>Class I |
| <b>ASSETS</b>                              |                                   |                                     |                                    |                               |                                 |                            |
| Investments in mutual funds, at value      | \$1,386,705                       | \$12,767,159                        | \$9,549,608                        | \$7,937,125                   | \$8,876,307                     | \$14,093,719               |
| Receivables:                               |                                   |                                     |                                    |                               |                                 |                            |
| Due from Pacific Life & Annuity Company    | -                                 | -                                   | -                                  | -                             | -                               | 1,501                      |
| Investments sold                           | 55                                | 759                                 | 387                                | 558                           | 271                             | -                          |
| Total Assets                               | 1,386,760                         | 12,767,918                          | 9,549,995                          | 7,937,683                     | 8,876,578                       | 14,095,220                 |
| <b>LIABILITIES</b>                         |                                   |                                     |                                    |                               |                                 |                            |
| Payables:                                  |                                   |                                     |                                    |                               |                                 |                            |
| Due to Pacific Life & Annuity Company      | 139                               | 1,207                               | 1,427                              | 439                           | 172                             | -                          |
| Investments purchased                      | -                                 | -                                   | -                                  | -                             | -                               | 1,620                      |
| Total Liabilities                          | 139                               | 1,207                               | 1,427                              | 439                           | 172                             | 1,620                      |
| NET ASSETS                                 | \$1,386,621                       | \$12,766,711                        | \$9,548,568                        | \$7,937,244                   | \$8,876,406                     | \$14,093,600               |
| <b>NET ASSETS CONSIST OF:</b>              |                                   |                                     |                                    |                               |                                 |                            |
| Accumulation units                         | 1,373,244                         | 12,682,741                          | 9,522,345                          | 7,923,602                     | 8,853,349                       | 14,088,665                 |
| Contracts in payout (annuitization) period | 13,377                            | 83,970                              | 26,223                             | 13,642                        | 23,057                          | 4,935                      |
| NET ASSETS                                 | \$1,386,621                       | \$12,766,711                        | \$9,548,568                        | \$7,937,244                   | \$8,876,406                     | \$14,093,600               |
| Units Outstanding                          | 118,199                           | 950,178                             | 779,138                            | 499,918                       | 642,308                         | 1,028,819                  |
| Accumulation Unit Value                    | \$11.38 - \$12.35                 | \$12.34 - \$19.04                   | \$11.64 - \$13.32                  | \$12.81 - \$31.12             | \$10.50 - \$27.47               | \$10.84 - \$28.18          |
| Cost of Investments                        | \$1,207,773                       | \$9,930,774                         | \$8,065,882                        | \$4,412,640                   | \$6,912,927                     | \$10,101,412               |
|  | Short Duration<br>Bond<br>Class I | Emerging<br>Markets Debt<br>Class I | Dividend<br>Growth<br>Class I      | Equity<br>Index<br>Class I    | Focused<br>Growth<br>Class I    | Growth<br>Class I          |
| <b>ASSETS</b>                              |                                   |                                     |                                    |                               |                                 |                            |
| Investments in mutual funds, at value      | \$14,183,068                      | \$1,997,276                         | \$28,126,562                       | \$157,072,207                 | \$17,365,831                    | \$13,897,861               |
| Receivables:                               |                                   |                                     |                                    |                               |                                 |                            |
| Due from Pacific Life & Annuity Company    | -                                 | -                                   | 5,970                              | -                             | -                               | -                          |
| Investments sold                           | 564                               | 136                                 | -                                  | 78,889                        | 3,505                           | 1,408                      |
| Total Assets                               | 14,183,632                        | 1,997,412                           | 28,132,532                         | 157,151,096                   | 17,369,336                      | 13,899,269                 |
| <b>LIABILITIES</b>                         |                                   |                                     |                                    |                               |                                 |                            |
| Payables:                                  |                                   |                                     |                                    |                               |                                 |                            |
| Due to Pacific Life & Annuity Company      | 1,019                             | 235                                 | -                                  | 79,042                        | 3,900                           | 1,597                      |
| Investments purchased                      | -                                 | -                                   | 7,047                              | -                             | -                               | -                          |
| Total Liabilities                          | 1,019                             | 235                                 | 7,047                              | 79,042                        | 3,900                           | 1,597                      |
| NET ASSETS                                 | \$14,182,613                      | \$1,997,177                         | \$28,125,485                       | \$157,072,054                 | \$17,365,436                    | \$13,897,672               |
| <b>NET ASSETS CONSIST OF:</b>              |                                   |                                     |                                    |                               |                                 |                            |
| Accumulation units                         | 14,138,968                        | 1,989,145                           | 28,065,720                         | 156,075,000                   | 17,016,904                      | 13,854,036                 |
| Contracts in payout (annuitization) period | 43,645                            | 8,032                               | 59,765                             | 997,054                       | 348,532                         | 43,636                     |
| NET ASSETS                                 | \$14,182,613                      | \$1,997,177                         | \$28,125,485                       | \$157,072,054                 | \$17,365,436                    | \$13,897,672               |
| Units Outstanding                          | 1,366,721                         | 189,700                             | 925,565                            | 4,918,573                     | 385,041                         | 334,741                    |
| Accumulation Unit Value                    | \$9.66 - \$13.23                  | \$9.63 - \$11.33                    | \$21.71 - \$46.21                  | \$22.94 - \$80.74             | \$30.35 - \$79.14               | \$29.98 - \$109.55         |
| Cost of Investments                        | \$12,806,036                      | \$1,779,390                         | \$10,611,589                       | \$67,214,148                  | \$5,861,164                     | \$4,865,522                |

**SEPARATE ACCOUNT A**  
**STATEMENTS OF ASSETS AND LIABILITIES (Continued)**  
**DECEMBER 31, 2021**

|  | Variable Accounts           |                                |                                |                                |                               |                              |
|--|-----------------------------|--------------------------------|--------------------------------|--------------------------------|-------------------------------|------------------------------|
|  | Hedged<br>Equity<br>Class I | Large-Cap<br>Growth<br>Class I | Large-Cap<br>Value<br>Class I  | Main Street<br>Core<br>Class I | Mid-Cap<br>Equity<br>Class I  | Mid-Cap<br>Growth<br>Class I |
| <b>ASSETS</b>                              |                             |                                |                                |                                |                               |                              |
| Investments in mutual funds, at value      | \$5,820,321                 | \$16,227,122                   | \$9,548,739                    | \$8,192,822                    | \$7,842,944                   | \$17,239,250                 |
| Receivables:                               |                             |                                |                                |                                |                               |                              |
| Due from Pacific Life & Annuity Company    | -                           | -                              | -                              | -                              | -                             | -                            |
| Investments sold                           | 192                         | 752                            | 1,223                          | 76                             | 2,319                         | 674                          |
| Total Assets                               | 5,820,513                   | 16,227,874                     | 9,549,962                      | 8,192,898                      | 7,845,263                     | 17,239,924                   |
| <b>LIABILITIES</b>                         |                             |                                |                                |                                |                               |                              |
| Payables:                                  |                             |                                |                                |                                |                               |                              |
| Due to Pacific Life & Annuity Company      | 529                         | 1,439                          | 1,390                          | 244                            | 2,375                         | 1,788                        |
| Investments purchased                      | -                           | -                              | -                              | -                              | -                             | -                            |
| Total Liabilities                          | 529                         | 1,439                          | 1,390                          | 244                            | 2,375                         | 1,788                        |
| NET ASSETS                                 | \$5,819,984                 | \$16,226,435                   | \$9,548,572                    | \$8,192,654                    | \$7,842,888                   | \$17,238,136                 |
| <b>NET ASSETS CONSIST OF:</b>              |                             |                                |                                |                                |                               |                              |
| Accumulation units                         | 5,819,984                   | 16,079,779                     | 9,505,162                      | 8,188,137                      | 7,778,461                     | 17,230,868                   |
| Contracts in payout (annuitization) period | -                           | 146,656                        | 43,410                         | 4,517                          | 64,427                        | 7,268                        |
| NET ASSETS                                 | \$5,819,984                 | \$16,226,435                   | \$9,548,572                    | \$8,192,654                    | \$7,842,888                   | \$17,238,136                 |
| Units Outstanding                          | 556,230                     | 415,540                        | 405,244                        | 264,278                        | 260,678                       | 451,793                      |
| Accumulation Unit Value                    | \$10.45 - \$10.53           | \$29.75 - \$51.24              | \$17.53 - \$38.91              | \$20.72 - \$60.69              | \$20.07 - \$67.03             | \$30.44 - \$53.38            |
| Cost of Investments                        | \$5,690,646                 | \$4,729,053                    | \$3,442,048                    | \$2,532,456                    | \$2,619,277                   | \$4,808,482                  |
|  | Mid-Cap<br>Value<br>Class I | Small-Cap<br>Equity<br>Class I | Small-Cap<br>Growth<br>Class I | Small-Cap<br>Index<br>Class I  | Small-Cap<br>Value<br>Class I | Value<br>Class I             |
| <b>ASSETS</b>                              |                             |                                |                                |                                |                               |                              |
| Investments in mutual funds, at value      | \$6,868,231                 | \$3,232,445                    | \$8,654,475                    | \$14,275,246                   | \$6,064,778                   | \$3,061,200                  |
| Receivables:                               |                             |                                |                                |                                |                               |                              |
| Due from Pacific Life & Annuity Company    | -                           | -                              | 2,750                          | 1,703                          | -                             | -                            |
| Investments sold                           | 492                         | 158                            | -                              | -                              | 782                           | 1,769                        |
| Total Assets                               | 6,868,723                   | 3,232,603                      | 8,657,225                      | 14,276,949                     | 6,065,560                     | 3,062,969                    |
| <b>LIABILITIES</b>                         |                             |                                |                                |                                |                               |                              |
| Payables:                                  |                             |                                |                                |                                |                               |                              |
| Due to Pacific Life & Annuity Company      | 587                         | 300                            | -                              | -                              | 587                           | 1,840                        |
| Investments purchased                      | -                           | -                              | 2,901                          | 1,963                          | -                             | -                            |
| Total Liabilities                          | 587                         | 300                            | 2,901                          | 1,963                          | 587                           | 1,840                        |
| NET ASSETS                                 | \$6,868,136                 | \$3,232,303                    | \$8,654,324                    | \$14,274,986                   | \$6,064,973                   | \$3,061,129                  |
| <b>NET ASSETS CONSIST OF:</b>              |                             |                                |                                |                                |                               |                              |
| Accumulation units                         | 6,846,154                   | 3,219,447                      | 8,526,909                      | 14,208,770                     | 6,041,159                     | 3,061,129                    |
| Contracts in payout (annuitization) period | 21,982                      | 12,856                         | 127,415                        | 66,216                         | 23,814                        | -                            |
| NET ASSETS                                 | \$6,868,136                 | \$3,232,303                    | \$8,654,324                    | \$14,274,986                   | \$6,064,973                   | \$3,061,129                  |
| Units Outstanding                          | 274,608                     | 143,248                        | 290,913                        | 569,876                        | 231,013                       | 136,265                      |
| Accumulation Unit Value                    | \$17.10 - \$46.21           | \$15.76 - \$38.53              | \$27.60 - \$45.75              | \$17.27 - \$49.39              | \$15.65 - \$72.59             | \$18.37 - \$28.45            |
| Cost of Investments                        | \$3,723,101                 | \$1,452,653                    | \$2,845,973                    | \$7,493,621                    | \$2,113,535                   | \$711,058                    |



**SEPARATE ACCOUNT A**  
**STATEMENTS OF ASSETS AND LIABILITIES (Continued)**  
**DECEMBER 31, 2021**

|  | Variable Accounts             |                                |                                    |                                       |   |  |
|--|-------------------------------|--------------------------------|------------------------------------|---------------------------------------|---|--|
|  | Value<br>Advantage<br>Class I | Emerging<br>Markets<br>Class I | International<br>Growth<br>Class I | International<br>Large-Cap<br>Class I | International<br>Small-Cap<br>Class I   | International<br>Value<br>Class I            |
| <b>ASSETS</b>                              |                               |                                |                                    |                                       |   |  |
| Investments in mutual funds, at value      | \$4,405,649                   | \$7,328,285                    | \$9,808                            | \$9,422,508                           | \$1,750,255                             | \$5,106,940                                  |
| Receivables:                               |                               |                                |                                    |                                       |   |  |
| Due from Pacific Life & Annuity Company    | -                             | -                              | -                                  | -                                     | -                                       | 359  |
| Investments sold                           | 168                           | 1,076                          | -                                  | 502                                   | 124                                     | -  |
| Total Assets                               | 4,405,817                     | 7,329,361                      | 9,808                              | 9,423,010                             | 1,750,379                               | 5,107,299                                    |
| <b>LIABILITIES</b>                         |                               |                                |                                    |                                       |   |  |
| Payables:                                  |                               |                                |                                    |                                       |   |  |
| Due to Pacific Life & Annuity Company      | 356                           | 1,262                          | -                                  | 718                                   | 46                                      | -  |
| Investments purchased                      | -                             | -                              | -                                  | -                                     | -                                       | 392  |
| Total Liabilities                          | 356                           | 1,262                          | -                                  | 718                                   | 46                                      | 392  |
| NET ASSETS                                 | \$4,405,461                   | \$7,328,099                    | \$9,808                            | \$9,422,292                           | \$1,750,333                             | \$5,106,907                                  |
| <b>NET ASSETS CONSIST OF:</b>              |                               |                                |                                    |                                       |   |  |
| Accumulation units                         | 4,405,461                     | 7,252,479                      | 9,808                              | 9,374,925                             | 1,706,078                               | 5,103,472                                    |
| Contracts in payout (annuitization) period | -                             | 75,620                         | -                                  | 47,367                                | 44,255                                  | 3,435  |
| NET ASSETS                                 | \$4,405,461                   | \$7,328,099                    | \$9,808                            | \$9,422,292                           | \$1,750,333                             | \$5,106,907                                  |
| Units Outstanding                          | 205,517                       | 440,071                        | 1,001                              | 479,212                               | 102,893                                 | 423,676                                      |
| Accumulation Unit Value                    | \$16.42 - \$22.88             | \$12.82 - \$84.69              | \$9.79 - \$9.79                    | \$16.68 - \$36.85                     | \$13.90 - \$24.26                       | \$8.02 - \$16.24                             |
| Cost of Investments                        | \$3,157,805                   | \$3,563,022                    | \$9,418                            | \$4,050,114                           | \$746,027                               | \$3,114,646                                  |
|  |                               |                                |                                    |                                       |   |  |
|  | Health<br>Sciences<br>Class I | Real<br>Estate<br>Class I      | Technology<br>Class I              | ESG<br>Diversified<br>Class I         | ESG<br>Diversified<br>Growth<br>Class I | PSF DFA<br>Balanced<br>Allocation<br>Class D |
| <b>ASSETS</b>                              |                               |                                |                                    |                                       |   |  |
| Investments in mutual funds, at value      | \$31,512,343                  | \$8,382,982                    | \$20,152,830                       | \$1,375,136                           | \$7,773                                 | \$14,835,055                                 |
| Receivables:                               |                               |                                |                                    |                                       |   |  |
| Due from Pacific Life & Annuity Company    | -                             | -                              | 2,554                              | -                                     | -                                       | 52,616                                       |
| Investments sold                           | -                             | 551                            | -                                  | 987                                   | -                                       | -  |
| Total Assets                               | 31,512,343                    | 8,383,533                      | 20,155,384                         | 1,376,123                             | 7,773                                   | 14,887,671                                   |
| <b>LIABILITIES</b>                         |                               |                                |                                    |                                       |   |  |
| Payables:                                  |                               |                                |                                    |                                       |   |  |
| Due to Pacific Life & Annuity Company      | 72                            | 539                            | -                                  | 1,105                                 | -                                       | -  |
| Investments purchased                      | 738                           | -                              | 3,367                              | -                                     | -                                       | 53,394                                       |
| Total Liabilities                          | 810                           | 539                            | 3,367                              | 1,105                                 | -                                       | 53,394                                       |
| NET ASSETS                                 | \$31,511,533                  | \$8,382,994                    | \$20,152,017                       | \$1,375,018                           | \$7,773                                 | \$14,834,277                                 |
| <b>NET ASSETS CONSIST OF:</b>              |                               |                                |                                    |                                       |   |  |
| Accumulation units                         | 31,468,820                    | 8,342,502                      | 20,084,439                         | 1,375,018                             | 7,773                                   | 14,506,043                                   |
| Contracts in payout (annuitization) period | 42,713                        | 40,492                         | 67,578                             | -                                     | -                                       | 328,234                                      |
| NET ASSETS                                 | \$31,511,533                  | \$8,382,994                    | \$20,152,017                       | \$1,375,018                           | \$7,773                                 | \$14,834,277                                 |
| Units Outstanding                          | 854,149                       | 342,557                        | 586,941                            | 129,810                               | 775                                     | 955,947                                      |
| Accumulation Unit Value                    | \$19.11 - \$82.43             | \$16.07 - \$83.30              | \$20.54 - \$38.93                  | \$10.43 - \$10.60                     | \$10.03 - \$10.03                       | \$10.48 - \$16.01                            |
| Cost of Investments                        | \$9,700,655                   | \$2,485,243                    | \$7,538,860                        | \$1,332,957                           | \$7,497                                 | \$10,798,447                                 |

**SEPARATE ACCOUNT A**  
**STATEMENTS OF ASSETS AND LIABILITIES (Continued)**  
**DECEMBER 31, 2021**

**Variable Accounts**

|  | <b>Pacific<br/>Dynamix -<br/>Conservative<br/>Growth<br/>Class I</b> | <b>Pacific<br/>Dynamix -<br/>Moderate<br/>Growth<br/>Class I</b> | <b>Pacific<br/>Dynamix -<br/>Growth<br/>Class I</b> | <b>Portfolio<br/>Optimization<br/>Conservative<br/>Class I</b> | <b>Portfolio<br/>Optimization<br/>Moderate-<br/>Conservative<br/>Class I</b> | <b>Portfolio<br/>Optimization<br/>Moderate<br/>Class I</b> |
|--|--|--|---|--|--|--|
| <b>ASSETS</b>                              |  |  |   |  |  |  |
| Investments in mutual funds, at value      | \$50,537,746   | \$169,827,149  | \$108,023,578                                       | \$88,028,415   | \$131,743,557  | \$498,370,783  |
| Receivables:                               |  |  |   |  |  |  |
| Due from Pacific Life & Annuity Company    | -  | -  | -   | -  | -  | -  |
| Investments sold                           | 11,599   | 120,880  | 9,784   | 19,703   | 27,019   | 33,383   |
| Total Assets                               | 50,549,345   | 169,948,029  | 108,033,362   | 88,048,118   | 131,770,576  | 498,404,166  |
| <b>LIABILITIES</b>                         |  |  |   |  |  |  |
| Payables:                                  |  |  |   |  |  |  |
| Due to Pacific Life & Annuity Company      | 12,205   | 120,727  | 10,322  | 18,995   | 23,879   | 29,420   |
| Investments purchased                      | -  | -  | -   | -  | -  | -  |
| Total Liabilities                          | 12,205   | 120,727  | 10,322  | 18,995   | 23,879   | 29,420   |
| NET ASSETS                                 | \$50,537,140   | \$169,827,302  | \$108,023,040                                       | \$88,029,123   | \$131,746,697  | \$498,374,746  |
| <b>NET ASSETS CONSIST OF:</b>              |  |  |   |  |  |  |
| Accumulation units                         | 50,537,140   | 169,757,170  | 107,551,081   | 87,837,245   | 131,688,525  | 497,802,665  |
| Contracts in payout (annuitization) period | -  | 70,132   | 471,959   | 191,878  | 58,172   | 572,081  |
| NET ASSETS                                 | \$50,537,140   | \$169,827,302  | \$108,023,040                                       | \$88,029,123   | \$131,746,697  | \$498,374,746  |
| Units Outstanding                          | 3,087,697  | 8,966,797  | 5,161,096   | 6,673,193  | 8,584,296  | 28,880,546   |
| Accumulation Unit Value                    | \$10.22 - \$21.81  | \$10.35 - \$27.19  | \$17.83 - \$36.52                                   | \$10.11 - \$15.18  | \$10.24 - \$17.57  | \$10.33 - \$20.13  |
| Cost of Investments                        | \$30,038,813   | \$88,352,510   | \$76,001,794  | \$58,124,625   | \$71,749,414   | \$237,428,071  |

|  | <b>Portfolio<br/>Optimization<br/>Growth<br/>Class I</b> | <b>Portfolio<br/>Optimization<br/>Aggressive-<br/>Growth<br/>Class I</b> | <b>Invesco<br/>Oppenheimer<br/>V.I. International<br/>Growth<br/>Series II</b> | <b>Invesco V.I.<br/>Balanced-Risk<br/>Allocation<br/>Series II</b> | <b>Invesco V.I.<br/>Equity and<br/>Income<br/>Series II</b> | <b>Invesco V.I.<br/>Global<br/>Real Estate<br/>Series II</b> |
|--|--|--|--|--|---|--|
| <b>ASSETS</b>                              |  |  |  |  |   |  |
| Investments in mutual funds, at value      | \$403,159,284  | \$99,027,022   | \$1,244,162  | \$20,963,754   | \$2,152,584   | \$2,453,407  |
| Receivables:                               |  |  |  |  |   |  |
| Due from Pacific Life & Annuity Company    | -  | -  | 234  | -  | -   | -  |
| Investments sold                           | 72,857   | 19,585   | -  | 291  | 72  | 114  |
| Total Assets                               | 403,232,141  | 99,046,607   | 1,244,396  | 20,964,045   | 2,152,656   | 2,453,521  |
| <b>LIABILITIES</b>                         |  |  |  |  |   |  |
| Payables:                                  |  |  |  |  |   |  |
| Due to Pacific Life & Annuity Company      | 69,487   | 17,395   | -  | 291  | 282   | 225  |
| Investments purchased                      | -  | -  | 283  | -  | -   | -  |
| Total Liabilities                          | 69,487   | 17,395   | 283  | 291  | 282   | 225  |
| NET ASSETS                                 | \$403,162,654  | \$99,029,212   | \$1,244,113  | \$20,963,754   | \$2,152,374   | \$2,453,296  |
| <b>NET ASSETS CONSIST OF:</b>              |  |  |  |  |   |  |
| Accumulation units                         | 402,988,187  | 99,029,212   | 1,244,113  | 20,963,754   | 2,143,755   | 2,447,700  |
| Contracts in payout (annuitization) period | 174,467  | -  | -  | -  | 8,619   | 5,596  |
| NET ASSETS                                 | \$403,162,654  | \$99,029,212   | \$1,244,113  | \$20,963,754   | \$2,152,374   | \$2,453,296  |
| Units Outstanding                          | 20,865,222   | 4,860,170  | 79,709   | 1,313,865  | 129,021   | 192,014  |
| Accumulation Unit Value                    | \$14.90 - \$22.32  | \$19.22 - \$24.39  | \$15.00 - \$17.57  | \$10.36 - \$25.57  | \$16.13 - \$16.96   | \$12.08 - \$13.31  |
| Cost of Investments                        | \$167,303,862  | \$38,451,289   | \$1,085,313  | \$20,382,189   | \$1,809,081   | \$2,170,237  |

**SEPARATE ACCOUNT A**  
**STATEMENTS OF ASSETS AND LIABILITIES (Continued)**  
**DECEMBER 31, 2021**

**Variable Accounts**

|  | Invesco V.I.<br>Global<br>Series II | American<br>Century<br>VP Mid Cap Value<br>Class II | American Funds<br>IS Asset Allocation<br>Class 4 | American Funds<br>IS Capital<br>Income Builder<br>Class 4 | American Funds<br>IS Capital<br>World Bond<br>Class 4 | American Funds<br>IS Capital World<br>Growth and<br>Income<br>Class 4 |
|--|-------------------------------------|---|--|---|---|---|
| <b>ASSETS</b>                              |                                     |   |  |   |   |   |
| Investments in mutual funds, at value      | \$2,139,621                         | \$5,029,323   | \$259,203,634                                    | \$4,468,733   | \$1,344,432   | \$2,886,126   |
| Receivables:                               |                                     |   |  |   |   |   |
| Due from Pacific Life & Annuity Company    | -                                   | -   | -  | -   | -   | 29  |
| Investments sold                           | 77                                  | 271   | 79,266   | 154   | 38  | -   |
| Total Assets                               | 2,139,698                           | 5,029,594   | 259,282,900                                      | 4,468,887   | 1,344,470   | 2,886,155   |
| <b>LIABILITIES</b>                         |                                     |   |  |   |   |   |
| Payables:                                  |                                     |   |  |   |   |   |
| Due to Pacific Life & Annuity Company      | 224                                 | 518   | 80,786   | 386   | 88  | -   |
| Investments purchased                      | -                                   | -   | -  | -   | -   | 98  |
| Total Liabilities                          | 224                                 | 518   | 80,786   | 386   | 88  | 98  |
| NET ASSETS                                 | \$2,139,474                         | \$5,029,076   | \$259,202,114                                    | \$4,468,501   | \$1,344,382   | \$2,886,057   |
| <b>NET ASSETS CONSIST OF:</b>              |                                     |   |  |   |   |   |
| Accumulation units                         | 1,829,030                           | 5,008,596   | 259,188,441                                      | 4,468,501   | 1,336,655   | 2,859,404   |
| Contracts in payout (annuitization) period | 310,444                             | 20,480  | 13,673   | -   | 7,727   | 26,653  |
| NET ASSETS                                 | \$2,139,474                         | \$5,029,076   | \$259,202,114                                    | \$4,468,501   | \$1,344,382   | \$2,886,057   |
| Units Outstanding                          | 104,537                             | 218,165   | 15,374,587                                       | 328,719   | 121,629   | 161,402   |
| Accumulation Unit Value                    | \$19.85 - \$22.64                   | \$15.38 - \$25.20                                   | \$10.53 - \$18.66                                | \$13.10 - \$14.75   | \$10.52 - \$11.57                                     | \$17.29 - \$18.51   |
| Cost of Investments                        | \$1,583,155                         | \$3,601,738   | \$192,236,501                                    | \$3,661,093   | \$1,364,921   | \$2,263,594   |

|  | American Funds<br>IS Global Balanced<br>Class 4 | American Funds<br>IS Global Growth<br>Class 4 | American Funds<br>IS Global Small<br>Capitalization<br>Class 4 | American Funds<br>IS Growth<br>Class 4 | American Funds<br>IS Growth-Income<br>Class 4 | American Funds<br>IS American<br>High-Income<br>Trust<br>Class 4 |
|--|---|---|--|--|---|--|
| <b>ASSETS</b>                              |   |   |  |  |   |  |
| Investments in mutual funds, at value      | \$3,985,115                                     | \$5,940,186                                   | \$2,559,729  | \$37,280,217                           | \$17,879,303                                  | \$3,725,055  |
| Receivables:                               |   |   |  |  |   |  |
| Due from Pacific Life & Annuity Company    | 2,344   | 951   | -  | -                                      | -   | -  |
| Investments sold                           | -   | -   | 89   | 69,804                                 | 7,764   | 170  |
| Total Assets                               | 3,987,459                                       | 5,941,137                                     | 2,559,818  | 37,350,021                             | 17,887,067                                    | 3,725,225  |
| <b>LIABILITIES</b>                         |   |   |  |  |   |  |
| Payables:                                  |   |   |  |  |   |  |
| Due to Pacific Life & Annuity Company      | -   | -   | 212  | 72,990                                 | 9,796   | 367  |
| Investments purchased                      | 2,495   | 1,324   | -  | -                                      | -   | -  |
| Total Liabilities                          | 2,495   | 1,324   | 212  | 72,990                                 | 9,796   | 367  |
| NET ASSETS                                 | \$3,984,964                                     | \$5,939,813                                   | \$2,559,606  | \$37,277,031                           | \$17,877,271                                  | \$3,724,858  |
| <b>NET ASSETS CONSIST OF:</b>              |   |   |  |  |   |  |
| Accumulation units                         | 3,972,897                                       | 5,939,813                                     | 2,559,606  | 37,166,779                             | 17,872,922                                    | 3,724,858  |
| Contracts in payout (annuitization) period | 12,067  | -   | -  | 110,252                                | 4,349   | -  |
| NET ASSETS                                 | \$3,984,964                                     | \$5,939,813                                   | \$2,559,606  | \$37,277,031                           | \$17,877,271                                  | \$3,724,858  |
| Units Outstanding                          | 256,329   | 235,674                                       | 135,846  | 1,215,693                              | 842,439                                       | 266,458  |
| Accumulation Unit Value                    | \$15.07 - \$15.98                               | \$23.95 - \$25.71                             | \$18.18 - \$20.03  | \$29.70 - \$36.61                      | \$20.57 - \$24.35                             | \$13.53 - \$14.44  |
| Cost of Investments                        | \$3,488,086                                     | \$3,663,473                                   | \$2,019,081  | \$24,412,688                           | \$12,272,316                                  | \$3,658,137  |

**SEPARATE ACCOUNT A**  
**STATEMENTS OF ASSETS AND LIABILITIES (Continued)**  
**DECEMBER 31, 2021**

**Variable Accounts**

|  | American Funds<br>IS International<br>Class 4                  | American Funds<br>IS International<br>Growth and Income<br>Class 4 | American Funds<br>IS Managed Risk<br>Asset Allocation<br>Class P2 | American Funds IS<br>New World Fund<br>Class 4      | American Funds<br>IS The Bond Fund<br>of America<br>Class 4 | American Funds IS<br>U.S. Government<br>Securities<br>Class 4 |
|--|--|--|---|---|---|---|
| <b>ASSETS</b>                              |  |  |   |   |   |   |
| Investments in mutual funds, at value      | \$3,615,346  | \$2,095,671  | \$17,735,035  | \$3,871,810   | \$5,730,366   | \$3,932,486   |
| Receivables:                               |  |  |   |   |   |   |
| Due from Pacific Life & Annuity Company    | 10,725   | -  | 32,113  | -   | -   | -   |
| Investments sold                           | -  | 74   | -   | -   | 2,398   | 198   |
| Total Assets                               | 3,626,071  | 2,095,745  | 17,767,148  | 3,871,810   | 5,732,764   | 3,932,684   |
| <b>LIABILITIES</b>                         |  |  |   |   |   |   |
| Payables:                                  |  |  |   |   |   |   |
| Due to Pacific Life & Annuity Company      | -  | 240  | -   | 189   | 2,683   | 563   |
| Investments purchased                      | 10,902   | -  | 32,980  | 94  | -   | -   |
| Total Liabilities                          | 10,902   | 240  | 32,980  | 283   | 2,683   | 563   |
| NET ASSETS                                 | \$3,615,169  | \$2,095,505  | \$17,734,168  | \$3,871,527   | \$5,730,081   | \$3,932,121   |
| <b>NET ASSETS CONSIST OF:</b>              |  |  |   |   |   |   |
| Accumulation units                         | 3,615,169  | 2,095,505  | 17,734,168  | 3,847,324   | 5,730,081   | 3,932,121   |
| Contracts in payout (annuitization) period | -  | -  | -   | 24,203  | -   | -   |
| NET ASSETS                                 | \$3,615,169  | \$2,095,505  | \$17,734,168  | \$3,871,527   | \$5,730,081   | \$3,932,121   |
| Units Outstanding                          | 262,936  | 163,875  | 1,150,358   | 244,309   | 496,026   | 355,799   |
| Accumulation Unit Value                    | \$12.88 - \$15.45  | \$12.23 - \$15.14  | \$10.45 - \$15.80   | \$15.02 - \$18.35                                   | \$11.05 - \$12.02   | \$10.70 - \$11.46   |
| Cost of Investments                        | \$3,098,188  | \$1,702,527  | \$14,629,237  | \$2,757,184   | \$5,691,684   | \$4,173,641   |
|  | American Funds<br>IS Washington<br>Mutual Investors<br>Class 4 | BlackRock<br>60/40 Target<br>Allocation ETF<br>V.I. Class I        | BlackRock<br>Capital<br>Appreciation<br>V.I. Class III            | BlackRock<br>Global<br>Allocation<br>V.I. Class III | Fidelity VIP<br>Contrafund<br>Service Class 2               | Fidelity VIP<br>FundsManager 60%<br>Service Class 2           |
| <b>ASSETS</b>                              |  |  |   |   |   |   |
| Investments in mutual funds, at value      | \$10,991,065   | \$14,444,973   | \$522,589   | \$120,480,572                                       | \$44,038,470  | \$42,855,914  |
| Receivables:                               |  |  |   |   |   |   |
| Due from Pacific Life & Annuity Company    | -  | -  | -   | 37,125  | 96,038  | -   |
| Investments sold                           | 586  | 757  | 12  | -   | -   | -   |
| Total Assets                               | 10,991,651   | 14,445,730   | 522,601   | 120,517,697   | 44,134,508  | 42,855,914  |
| <b>LIABILITIES</b>                         |  |  |   |   |   |   |
| Payables:                                  |  |  |   |   |   |   |
| Due to Pacific Life & Annuity Company      | 1,030  | 1,572  | 28  | -   | -   | 135   |
| Investments purchased                      | -  | -  | -   | 34,631  | 97,981  | 1,041   |
| Total Liabilities                          | 1,030  | 1,572  | 28  | 34,631  | 97,981  | 1,176   |
| NET ASSETS                                 | \$10,990,621   | \$14,444,158   | \$522,573   | \$120,483,066                                       | \$44,036,527  | \$42,854,738  |
| <b>NET ASSETS CONSIST OF:</b>              |  |  |   |   |   |   |
| Accumulation units                         | 10,977,258   | 14,444,158   | 522,573   | 120,378,737   | 44,036,527  | 42,854,738  |
| Contracts in payout (annuitization) period | 13,363   | -  | -   | 104,329   | -   | -   |
| NET ASSETS                                 | \$10,990,621   | \$14,444,158   | \$522,573   | \$120,483,066                                       | \$44,036,527  | \$42,854,738  |
| Units Outstanding                          | 579,425  | 900,508  | 10,763  | 7,241,395   | 1,366,969   | 2,291,982   |
| Accumulation Unit Value                    | \$17.74 - \$19.70  | \$15.33 - \$17.11  | \$41.27 - \$55.36   | \$10.01 - \$20.24                                   | \$24.64 - \$34.65   | \$10.48 - \$21.96   |
| Cost of Investments                        | \$8,302,530  | \$12,848,122   | \$403,843   | \$109,826,937                                       | \$29,120,503  | \$36,516,401  |

SEPARATE ACCOUNT A  
STATEMENTS OF ASSETS AND LIABILITIES (Continued)  
DECEMBER 31, 2021

Variable Accounts

|  | Fidelity VIP<br>Government<br>Money Market<br>Service Class | Fidelity VIP<br>Strategic Income<br>Service Class 2 | First Trust<br>Dorsey Wright<br>Tactical Core<br>Class I | First Trust<br>Multi Income<br>Allocation<br>Class I | First Trust/Dow<br>Jones Dividend &<br>Income Allocation<br>Class I | Franklin<br>Allocation<br>VIP Class 2 |
|--|---|---|--|--|---|---------------------------------------|
| <b>ASSETS</b>                              |   |   |  |  |   |                                       |
| Investments in mutual funds, at value      | \$18,771,711  | \$7,730,189   | \$2,800,551  | \$1,017,606  | \$56,181,273  | \$173,832                             |
| Receivables:                               |   |   |  |  |   |                                       |
| Due from Pacific Life & Annuity Company    | -   | -   | -  | -  | -   | -                                     |
| Investments sold                           | 808   | -   | 98   | 36   | 9,578   | 5                                     |
| Total Assets                               | 18,772,519  | 7,730,189   | 2,800,649  | 1,017,642  | 56,190,851  | 173,837                               |
| <b>LIABILITIES</b>                         |   |   |  |  |   |                                       |
| Payables:                                  |   |   |  |  |   |                                       |
| Due to Pacific Life & Annuity Company      | 1,058   | 956   | 308  | 101  | 10,808  | 12                                    |
| Investments purchased                      | -   | 203   | -  | -  | -   | -                                     |
| Total Liabilities                          | 1,058   | 1,159   | 308  | 101  | 10,808  | 12                                    |
| NET ASSETS                                 | \$18,771,461  | \$7,729,030   | \$2,800,341  | \$1,017,541  | \$56,180,043  | \$173,825                             |
| <b>NET ASSETS CONSIST OF:</b>              |   |   |  |  |   |                                       |
| Accumulation units                         | 18,665,245  | 7,727,044   | 2,800,341  | 1,017,541  | 56,180,043  | 173,825                               |
| Contracts in payout (annuitization) period | 106,216   | 1,986   | -  | -  | -   | -                                     |
| NET ASSETS                                 | \$18,771,461  | \$7,729,030   | \$2,800,341  | \$1,017,541  | \$56,180,043  | \$173,825                             |
| Units Outstanding                          | 1,980,259   | 614,445   | 182,763  | 74,804   | 3,026,924   | 8,193                                 |
| Accumulation Unit Value                    | \$9.00 - \$10.28  | \$12.11 - \$13.58                                   | \$14.80 - \$15.50  | \$13.22 - \$13.74                                    | \$10.45 - \$21.55   | \$19.93 - \$21.74                     |
| Cost of Investments                        | \$18,771,711  | \$7,533,584   | \$2,087,227  | \$877,976  | \$42,791,166  | \$175,281                             |

|  | Franklin<br>Allocation<br>VIP Class 4 | Franklin<br>Income<br>VIP Class 2 | Franklin<br>Mutual Global<br>Discovery<br>VIP Class 2 | Franklin<br>Rising<br>Dividends<br>VIP Class 2 | Templeton<br>Global Bond<br>VIP Class 2 | Ivy<br>VIP Asset<br>Strategy<br>Class II |
|--|---------------------------------------|-----------------------------------|---|--|---|--|
| <b>ASSETS</b>                              |                                       |                                   |   |  |   |  |
| Investments in mutual funds, at value      | \$14,177,718                          | \$11,293,828                      | \$4,924,498   | \$14,450,847                                   | \$5,510,778                             | \$1,153,160                              |
| Receivables:                               |                                       |                                   |   |  |   |  |
| Due from Pacific Life & Annuity Company    | -                                     | -                                 | -   | -  | 931                                     | -  |
| Investments sold                           | 1,017                                 | 373                               | 210   | 2,472  | -                                       | 702                                      |
| Total Assets                               | 14,178,735                            | 11,294,201                        | 4,924,708   | 14,453,319                                     | 5,511,709                               | 1,153,862                                |
| <b>LIABILITIES</b>                         |                                       |                                   |   |  |   |  |
| Payables:                                  |                                       |                                   |   |  |   |  |
| Due to Pacific Life & Annuity Company      | 820                                   | 933                               | 389   | 3,069  | -                                       | 745                                      |
| Investments purchased                      | -                                     | -                                 | -   | -  | 1,293                                   | -  |
| Total Liabilities                          | 820                                   | 933                               | 389   | 3,069  | 1,293                                   | 745                                      |
| NET ASSETS                                 | \$14,177,915                          | \$11,293,268                      | \$4,924,319   | \$14,450,250                                   | \$5,510,416                             | \$1,153,117                              |
| <b>NET ASSETS CONSIST OF:</b>              |                                       |                                   |   |  |   |  |
| Accumulation units                         | 14,177,915                            | 11,293,268                        | 4,924,319   | 14,434,460                                     | 5,510,416                               | 1,153,117                                |
| Contracts in payout (annuitization) period | -                                     | -                                 | -   | 15,790   | -                                       | -  |
| NET ASSETS                                 | \$14,177,915                          | \$11,293,268                      | \$4,924,319   | \$14,450,250                                   | \$5,510,416                             | \$1,153,117                              |
| Units Outstanding                          | 825,709                               | 830,074                           | 279,626   | 522,340  | 643,218                                 | 87,953                                   |
| Accumulation Unit Value                    | \$10.52 - \$20.92                     | \$13.05 - \$14.49                 | \$15.51 - \$22.82                                     | \$21.40 - \$30.39                              | \$8.12 - \$11.24                        | \$10.55 - \$13.66                        |
| Cost of Investments                        | \$13,178,208                          | \$9,943,787                       | \$4,274,499   | \$9,939,442                                    | \$6,303,711                             | \$1,069,438                              |

SEPARATE ACCOUNT A  
STATEMENTS OF ASSETS AND LIABILITIES (Continued)  
DECEMBER 31, 2021

Variable Accounts

|  | Ivy<br>VIP Energy<br>Class II | Janus<br>Henderson<br>Balanced<br>Service Shares | Janus<br>Henderson<br>Flexible Bond<br>Service Shares | JPMorgan<br>Insurance Trust<br>Global Allocation<br>Class 2 | JPMorgan<br>Insurance Trust<br>Income Builder<br>Class 2 | ClearBridge<br>Variable<br>Aggressive<br>Growth - Class II |
|--|-------------------------------|--|---|---|--|--|
| <b>ASSETS</b>                              |                               |  |   |   |  |  |
| Investments in mutual funds, at value      | \$1,926,825                   | \$458,563,575                                    | \$3,245,089   | \$546,791   | \$1,167,620  | \$1,385,453  |
| Receivables:                               |                               |  |   |   |  |  |
| Due from Pacific Life & Annuity Company    | -                             | -  | -   | -   | -  | -  |
| Investments sold                           | 69                            | 124,475  | 107   | 21  | 42   | 50   |
| Total Assets                               | 1,926,894                     | 458,688,050                                      | 3,245,196   | 546,812   | 1,167,662  | 1,385,503  |
| <b>LIABILITIES</b>                         |                               |  |   |   |  |  |
| Payables:                                  |                               |  |   |   |  |  |
| Due to Pacific Life & Annuity Company      | 164                           | 126,864  | 280   | 39  | 133  | 112  |
| Investments purchased                      | -                             | -  | -   | -   | -  | -  |
| Total Liabilities                          | 164                           | 126,864  | 280   | 39  | 133  | 112  |
| NET ASSETS                                 | \$1,926,730                   | \$458,561,186                                    | \$3,244,916   | \$546,773   | \$1,167,529  | \$1,385,391  |
| <b>NET ASSETS CONSIST OF:</b>              |                               |  |   |   |  |  |
| Accumulation units                         | 1,926,730                     | 458,509,975                                      | 3,244,916   | 546,773   | 1,167,529  | 1,385,391  |
| Contracts in payout (annuitization) period | -                             | 51,211   | -   | -   | -  | -  |
| NET ASSETS                                 | \$1,926,730                   | \$458,561,186                                    | \$3,244,916   | \$546,773   | \$1,167,529  | \$1,385,391  |
| Units Outstanding                          | 416,003                       | 21,201,007                                       | 282,188   | 37,215  | 90,430   | 87,945   |
| Accumulation Unit Value                    | \$4.48 - \$5.10               | \$10.95 - \$25.02                                | \$10.96 - \$11.99                                     | \$14.28 - \$15.97   | \$12.58 - \$13.10  | \$15.25 - \$17.01  |
| Cost of Investments                        | \$1,515,030                   | \$319,938,856                                    | \$3,200,143   | \$473,926   | \$975,320  | \$1,624,534  |

|  | Lord Abbett<br>Bond<br>Debenture<br>Class VC | Lord Abbett<br>Total Return<br>Class VC | MFS<br>Massachusetts<br>Investors<br>Growth Stock -<br>Service Class | MFS<br>Total Return<br>Series -<br>Service Class | MFS<br>Utilities<br>Series -<br>Service Class | MFS<br>Value<br>Series -<br>Service Class |
|--|--|---|--|--|---|---|
| <b>ASSETS</b>                              |  |   |  |  |   |   |
| Investments in mutual funds, at value      | \$6,381,109                                  | \$7,002,356                             | \$735,402  | \$39,059,321                                     | \$4,743,205                                   | \$1,032,692                               |
| Receivables:                               |  |   |  |  |   |   |
| Due from Pacific Life & Annuity Company    | -  | -                                       | -  | 35,314   | -   | -   |
| Investments sold                           | 389  | 399                                     | 75   | -  | 167   | 52  |
| Total Assets                               | 6,381,498                                    | 7,002,755                               | 735,477  | 39,094,635                                       | 4,743,372                                     | 1,032,744                                 |
| <b>LIABILITIES</b>                         |  |   |  |  |   |   |
| Payables:                                  |  |   |  |  |   |   |
| Due to Pacific Life & Annuity Company      | 674  | 758                                     | 158  | -  | 411   | 84  |
| Investments purchased                      | -  | -                                       | -  | 35,708   | -   | -   |
| Total Liabilities                          | 674  | 758                                     | 158  | 35,708   | 411   | 84  |
| NET ASSETS                                 | \$6,380,824                                  | \$7,001,997                             | \$735,319  | \$39,058,927                                     | \$4,742,961                                   | \$1,032,660                               |
| <b>NET ASSETS CONSIST OF:</b>              |  |   |  |  |   |   |
| Accumulation units                         | 6,343,303                                    | 7,001,997                               | 735,319  | 39,058,927                                       | 4,731,229                                     | 1,032,660                                 |
| Contracts in payout (annuitization) period | 37,521                                       | -                                       | -  | -  | 11,732  | -   |
| NET ASSETS                                 | \$6,380,824                                  | \$7,001,997                             | \$735,319  | \$39,058,927                                     | \$4,742,961                                   | \$1,032,660                               |
| Units Outstanding                          | 448,435                                      | 586,358                                 | 27,000   | 2,115,821  | 267,962                                       | 32,921                                    |
| Accumulation Unit Value                    | \$13.00 - \$15.77                            | \$11.01 - \$14.37                       | \$26.96 - \$27.33  | \$10.42 - \$22.39                                | \$16.86 - \$19.86                             | \$29.35 - \$36.46                         |
| Cost of Investments                        | \$6,240,204                                  | \$6,880,342                             | \$463,767  | \$32,139,610                                     | \$3,506,140                                   | \$649,302                                 |

**SEPARATE ACCOUNT A**  
**STATEMENTS OF ASSETS AND LIABILITIES (Continued)**  
**DECEMBER 31, 2021**

**Variable Accounts**

|  | <b>Neuberger Berman<br/>U.S. Equity Index<br/>PutWrite Strategy<br/>Class S</b> | <b>PIMCO All Asset -<br/>Advisor Class</b> | <b>PIMCO<br/>Commodity-<br/>RealReturn<br/>Strategy -<br/>Advisor Class</b> | <b>PIMCO Income -<br/>Advisor Class</b> | <b>Schwab<br/>VIT Balanced</b> | <b>Schwab<br/>VIT Balanced<br/>with Growth</b> |
|--|---|--|---|---|--------------------------------|--|
| <b>ASSETS</b>                              |   |  |   |   |                                |  |
| Investments in mutual funds, at value      | \$107,074   | \$232,550                                  | \$912,278   | \$1,381,408                             | \$5,032,423                    | \$8,718,917                                    |
| Receivables:                               |   |  |   |   |                                |  |
| Due from Pacific Life & Annuity Company    | -   | -  | -   | 41                                      | -                              | -  |
| Investments sold                           | 4   | 8  | 31  | -                                       | 83                             | 10,144   |
| Total Assets                               | 107,078   | 232,558                                    | 912,309   | 1,381,449                               | 5,032,506                      | 8,729,061                                      |
| <b>LIABILITIES</b>                         |   |  |   |   |                                |  |
| Payables:                                  |   |  |   |   |                                |  |
| Due to Pacific Life & Annuity Company      | 12  | 19   | 100   | 100                                     | 175                            | 10,179   |
| Investments purchased                      | -   | -  | -   | -                                       | -                              | -  |
| Total Liabilities                          | 12  | 19   | 100   | 100                                     | 175                            | 10,179   |
| NET ASSETS                                 | \$107,066   | \$232,539                                  | \$912,209   | \$1,381,349                             | \$5,032,331                    | \$8,718,882                                    |
| <b>NET ASSETS CONSIST OF:</b>              |   |  |   |   |                                |  |
| Accumulation units                         | 107,066   | 232,539                                    | 912,209   | 1,381,349                               | 5,032,331                      | 8,718,882                                      |
| Contracts in payout (annuitization) period | -   | -  | -   | -                                       | -                              | -  |
| NET ASSETS                                 | \$107,066   | \$232,539                                  | \$912,209   | \$1,381,349                             | \$5,032,331                    | \$8,718,882                                    |
| Units Outstanding                          | 8,121   | 16,590                                     | 121,791   | 122,952                                 | 320,556                        | 477,854  |
| Accumulation Unit Value                    | \$13.07 - \$13.24   | \$13.94 - \$14.04                          | \$6.57 - \$13.03  | \$11.18 - \$11.38                       | \$15.70 - \$15.70              | \$18.25 - \$18.25                              |
| Cost of Investments                        | \$93,515  | \$212,784                                  | \$789,775   | \$1,382,321                             | \$3,815,768                    | \$5,861,115                                    |

|  | <b>Schwab<br/>VIT Growth</b> | <b>State Street<br/>Total Return<br/>V.I.S. Class 3</b> | <b>VanEck VIP<br/>Global Resources<br/>Class S</b> |
|--|------------------------------|---|--|
| <b>ASSETS</b>                              |                              |   |  |
| Investments in mutual funds, at value      | \$4,686,852                  | \$18,321,967  | \$1,643,103  |
| Receivables:                               |                              |   |  |
| Due from Pacific Life & Annuity Company    | -                            | -   | -  |
| Investments sold                           | 77                           | 1,793   | 60   |
| Total Assets                               | 4,686,929                    | 18,323,760  | 1,643,163  |
| <b>LIABILITIES</b>                         |                              |   |  |
| Payables:                                  |                              |   |  |
| Due to Pacific Life & Annuity Company      | 19                           | 728   | 103  |
| Investments purchased                      | -                            | -   | -  |
| Total Liabilities                          | 19                           | 728   | 103  |
| NET ASSETS                                 | \$4,686,910                  | \$18,323,032  | \$1,643,060  |
| <b>NET ASSETS CONSIST OF:</b>              |                              |   |  |
| Accumulation units                         | 4,686,910                    | 18,323,032  | 1,643,060  |
| Contracts in payout (annuitization) period | -                            | -   | -  |
| NET ASSETS                                 | \$4,686,910                  | \$18,323,032  | \$1,643,060  |
| Units Outstanding                          | 223,031                      | 955,868   | 193,779  |
| Accumulation Unit Value                    | \$21.01 - \$21.01            | \$10.43 - \$26.97                                       | \$7.76 - \$10.57                                   |
| Cost of Investments                        | \$2,951,982                  | \$17,266,127  | \$1,276,507  |

**SEPARATE ACCOUNT A  
STATEMENTS OF OPERATIONS  
FOR THE YEAR OR PERIOD ENDED DECEMBER 31, 2021**

|  | Variable Accounts                 |                                     |                                    |                                |                                 |                              |
|--|-----------------------------------|-------------------------------------|------------------------------------|--------------------------------|---------------------------------|------------------------------|
|  | Core<br>Income<br>Class I         | Diversified<br>Bond<br>Class I      | Floating<br>Rate Income<br>Class I | High Yield<br>Bond<br>Class I  | Inflation<br>Managed<br>Class I | Managed<br>Bond<br>Class I   |
| <b>INVESTMENT INCOME</b>   |                                   |                                     |                                    |                                |                                 |                              |
| Dividends  | \$-                               | \$-                                 | \$-                                | \$-                            | \$-                             | \$-                          |
| <b>EXPENSES</b>  |                                   |                                     |                                    |                                |                                 |                              |
| Mortality and expense risk   | 13,309                            | 131,424                             | 106,956                            | 88,672                         | 88,826                          | 167,128                      |
| Administrative fees  | 3,186                             | 29,612                              | 22,528                             | 17,549                         | 19,000                          | 34,315                       |
| Total Expenses   | 16,495                            | 161,036                             | 129,484                            | 106,221                        | 107,826                         | 201,443                      |
| Net Investment Income (Loss)   | (16,495)                          | (161,036)                           | (129,484)                          | (106,221)                      | (107,826)                       | (201,443)                    |
| <b>REALIZED GAIN (LOSS) ON INVESTMENTS</b>                                     |                                   |                                     |                                    |                                |                                 |                              |
| Realized gain (loss) on sale of investments                                    | (1,551)                           | (29,025)                            | 37,568                             | 44,146                         | 30,203                          | 256,747                      |
| Capital gain distributions   | -                                 | -                                   | -                                  | -                              | -                               | -                            |
| Realized Gain (Loss) on Investments  | (1,551)                           | (29,025)                            | 37,568                             | 44,146                         | 30,203                          | 256,747                      |
| <b>CHANGE IN NET UNREALIZED APPRECIATION<br/>(DEPRECIATION) ON INVESTMENTS</b> | (5,327)                           | (191,250)                           | 393,977                            | 356,966                        | 407,778                         | (444,531)                    |
| NET INCREASE (DECREASE) IN NET ASSETS<br>RESULTING FROM OPERATIONS             | (\$23,373)                        | (\$381,311)                         | \$302,061                          | \$294,891                      | \$330,155                       | (\$389,227)                  |
|  | Short Duration<br>Bond<br>Class I | Emerging<br>Markets Debt<br>Class I | Dividend<br>Growth<br>Class I      | Equity<br>Index<br>Class I     | Focused<br>Growth<br>Class I    | Growth<br>Class I            |
| <b>INVESTMENT INCOME</b>   |                                   |                                     |                                    |                                |                                 |                              |
| Dividends  | \$-                               | \$-                                 | \$-                                | \$-                            | \$-                             | \$-                          |
| <b>EXPENSES</b>  |                                   |                                     |                                    |                                |                                 |                              |
| Mortality and expense risk   | 132,379                           | 23,406                              | 253,708                            | 1,363,050                      | 177,714                         | 126,920                      |
| Administrative fees  | 30,085                            | 4,219                               | 56,664                             | 316,707                        | 39,132                          | 28,848                       |
| Total Expenses   | 162,464                           | 27,625                              | 310,372                            | 1,679,757                      | 216,846                         | 155,768                      |
| Net Investment Income (Loss)   | (162,464)                         | (27,625)                            | (310,372)                          | (1,679,757)                    | (216,846)                       | (155,768)                    |
| <b>REALIZED GAIN (LOSS) ON INVESTMENTS</b>                                     |                                   |                                     |                                    |                                |                                 |                              |
| Realized gain (loss) on sale of investments                                    | (1,992)                           | (641)                               | 29,284                             | 302,153                        | 55,953                          | 123,781                      |
| Capital gain distributions   | -                                 | -                                   | -                                  | -                              | -                               | -                            |
| Realized Gain (Loss) on Investments  | (1,992)                           | (641)                               | 29,284                             | 302,153                        | 55,953                          | 123,781                      |
| <b>CHANGE IN NET UNREALIZED APPRECIATION<br/>(DEPRECIATION) ON INVESTMENTS</b> | (62,630)                          | (125,942)                           | 5,576,946                          | 33,187,594                     | 2,839,940                       | 2,417,373                    |
| NET INCREASE (DECREASE) IN NET ASSETS<br>RESULTING FROM OPERATIONS             | (\$227,086)                       | (\$154,208)                         | \$5,295,858                        | \$31,809,990                   | \$2,679,047                     | \$2,385,386                  |
|  | Hedged<br>Equity<br>Class I (1)   | Large-Cap<br>Growth<br>Class I      | Large-Cap<br>Value<br>Class I      | Main Street<br>Core<br>Class I | Mid-Cap<br>Equity<br>Class I    | Mid-Cap<br>Growth<br>Class I |
| <b>INVESTMENT INCOME</b>   |                                   |                                     |                                    |                                |                                 |                              |
| Dividends  | \$-                               | \$-                                 | \$-                                | \$-                            | \$-                             | \$-                          |
| <b>EXPENSES</b>  |                                   |                                     |                                    |                                |                                 |                              |
| Mortality and expense risk   | 18,732                            | 175,797                             | 90,961                             | 86,374                         | 81,808                          | 177,314                      |
| Administrative fees  | 4,675                             | 38,700                              | 19,518                             | 17,724                         | 16,808                          | 38,550                       |
| Total Expenses   | 23,407                            | 214,497                             | 110,479                            | 104,098                        | 98,616                          | 215,864                      |
| Net Investment Income (Loss)   | (23,407)                          | (214,497)                           | (110,479)                          | (104,098)                      | (98,616)                        | (215,864)                    |
| <b>REALIZED GAIN (LOSS) ON INVESTMENTS</b>                                     |                                   |                                     |                                    |                                |                                 |                              |
| Realized gain (loss) on sale of investments                                    | (211)                             | 835,461                             | 50,065                             | 287,067                        | 168,113                         | 54,103                       |
| Capital gain distributions   | -                                 | -                                   | -                                  | -                              | -                               | -                            |
| Realized Gain (Loss) on Investments  | (211)                             | 835,461                             | 50,065                             | 287,067                        | 168,113                         | 54,103                       |
| <b>CHANGE IN NET UNREALIZED APPRECIATION<br/>(DEPRECIATION) ON INVESTMENTS</b> | 129,675                           | 2,119,851                           | 1,872,192                          | 1,600,791                      | 868,398                         | 2,448,307                    |
| NET INCREASE (DECREASE) IN NET ASSETS<br>RESULTING FROM OPERATIONS             | \$106,057                         | \$2,740,815                         | \$1,811,778                        | \$1,783,760                    | \$937,895                       | \$2,286,546                  |

(1) Operations commenced or resumed during 2021 (See Financial Highlights for commencement date of operations).



**SEPARATE ACCOUNT A**  
**STATEMENTS OF OPERATIONS (Continued)**  
**FOR THE YEAR OR PERIOD ENDED DECEMBER 31, 2021**

|  | Variable Accounts             |                                |  |                                       |   |  |
|--|-------------------------------|--------------------------------|--|---------------------------------------|---|--|
|  | Mid-Cap<br>Value<br>Class I   | Small-Cap<br>Equity<br>Class I | Small-Cap<br>Growth<br>Class I         | Small-Cap<br>Index<br>Class I         | Small-Cap<br>Value<br>Class I               | Value<br>Class I                             |
| <b>INVESTMENT INCOME</b>   |                               |                                |  |                                       |   |  |
| Dividends  | \$-                           | \$-                            | \$-                                    | \$-                                   | \$-   | \$-  |
| <b>EXPENSES</b>  |                               |                                |  |                                       |   |  |
| Mortality and expense risk   | 61,242                        | 32,044                         | 100,574                                | 121,623                               | 67,313                                      | 33,757                                       |
| Administrative fees  | 12,246                        | 7,074                          | 21,873                                 | 29,677                                | 13,131                                      | 6,561  |
| Total Expenses   | 73,488                        | 39,118                         | 122,447                                | 151,300                               | 80,444                                      | 40,318                                       |
| Net Investment Income (Loss)   | (73,488)                      | (39,118)                       | (122,447)                              | (151,300)                             | (80,444)                                    | (40,318)                                     |
| <b>REALIZED GAIN (LOSS) ON INVESTMENTS</b>                                 |                               |                                |  |                                       |   |  |
| Realized gain (loss) on sale of investments                                | 79,422                        | 136,555                        | 86,764                                 | 92,108                                | 135,626                                     | 294,269                                      |
| Capital gain distributions   | -                             | -                              | -                                      | -                                     | -   | -  |
| Realized Gain (Loss) on Investments  | 79,422                        | 136,555                        | 86,764                                 | 92,108                                | 135,626                                     | 294,269                                      |
| <b>CHANGE IN NET UNREALIZED APPRECIATION (DEPRECIATION) ON INVESTMENTS</b> | 1,172,441                     | 574,124                        | 93,648                                 | 1,449,517                             | 1,454,417                                   | 308,497                                      |
| NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS            | \$1,178,375                   | \$671,561                      | \$57,965                               | \$1,390,325                           | \$1,509,599                                 | \$562,448                                    |
|  | Value<br>Advantage<br>Class I | Emerging<br>Markets<br>Class I | International<br>Growth<br>Class I (1) | International<br>Large-Cap<br>Class I | International<br>Small-Cap<br>Class I       | International<br>Value<br>Class I            |
| <b>INVESTMENT INCOME</b>   |                               |                                |  |                                       |   |  |
| Dividends  | \$-                           | \$-                            | \$-                                    | \$-                                   | \$-   | \$-  |
| <b>EXPENSES</b>  |                               |                                |  |                                       |   |  |
| Mortality and expense risk   | 42,347                        | 88,431                         | 4                                      | 92,430                                | 20,108                                      | 59,158                                       |
| Administrative fees  | 7,810                         | 18,106                         | 1                                      | 18,989                                | 3,790                                       | 11,403                                       |
| Total Expenses   | 50,157                        | 106,537                        | 5                                      | 111,419                               | 23,898                                      | 70,561                                       |
| Net Investment Income (Loss)   | (50,157)                      | (106,537)                      | (5)                                    | (111,419)                             | (23,898)                                    | (70,561)                                     |
| <b>REALIZED GAIN (LOSS) ON INVESTMENTS</b>                                 |                               |                                |  |                                       |   |  |
| Realized gain (loss) on sale of investments                                | 22,745                        | 281,744                        | -                                      | 69,235                                | 15,953                                      | 57,786                                       |
| Capital gain distributions   | -                             | -                              | -                                      | -                                     | -   | -  |
| Realized Gain (Loss) on Investments  | 22,745                        | 281,744                        | -                                      | 69,235                                | 15,953                                      | 57,786                                       |
| <b>CHANGE IN NET UNREALIZED APPRECIATION (DEPRECIATION) ON INVESTMENTS</b> | 732,321                       | (915,355)                      | 390                                    | 1,124,961                             | 201,768                                     | 850,439                                      |
| NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS            | \$704,909                     | (\$740,148)                    | \$385                                  | \$1,082,777                           | \$193,823                                   | \$837,664                                    |
|  | Health<br>Sciences<br>Class I | Real<br>Estate<br>Class I      | Technology<br>Class I                  | ESG<br>Diversified<br>Class I (1)     | ESG<br>Diversified<br>Growth<br>Class I (1) | PSF DFA<br>Balanced<br>Allocation<br>Class D |
| <b>INVESTMENT INCOME</b>   |                               |                                |  |                                       |   |  |
| Dividends  | \$-                           | \$-                            | \$-                                    | \$-                                   | \$-   | \$-  |
| <b>EXPENSES</b>  |                               |                                |  |                                       |   |  |
| Mortality and expense risk   | 326,196                       | 81,953                         | 202,472                                | 4,404                                 | 2   | 126,295                                      |
| Administrative fees  | 70,234                        | 17,536                         | 44,584                                 | 1,194                                 | 1   | 30,996                                       |
| Total Expenses   | 396,430                       | 99,489                         | 247,056                                | 5,598                                 | 3   | 157,291                                      |
| Net Investment Income (Loss)   | (396,430)                     | (99,489)                       | (247,056)                              | (5,598)                               | (3)   | (157,291)                                    |
| <b>REALIZED GAIN (LOSS) ON INVESTMENTS</b>                                 |                               |                                |  |                                       |   |  |
| Realized gain (loss) on sale of investments                                | 27,467                        | 266,528                        | 417,730                                | (37)                                  | -   | (1,376)                                      |
| Capital gain distributions   | -                             | -                              | -                                      | -                                     | -   | -  |
| Realized Gain (Loss) on Investments  | 27,467                        | 266,528                        | 417,730                                | (37)                                  | -   | (1,376)                                      |
| <b>CHANGE IN NET UNREALIZED APPRECIATION (DEPRECIATION) ON INVESTMENTS</b> | 3,420,433                     | 2,236,234                      | 1,977,330                              | 42,179                                | 276   | 1,489,813                                    |
| NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS            | \$3,051,470                   | \$2,403,273                    | \$2,148,004                            | \$36,544                              | \$273                                       | \$1,331,146                                  |

(1) Operations commenced or resumed during 2021 (See Financial Highlights for commencement date of operations).

SEPARATE ACCOUNT A  
STATEMENTS OF OPERATIONS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2021

Variable Accounts

|  | Pacific<br>Dynamix -<br>Conservative<br>Growth<br>Class I | Pacific<br>Dynamix -<br>Moderate<br>Growth<br>Class I         | Pacific<br>Dynamix -<br>Growth<br>Class I                           | Portfolio<br>Optimization<br>Conservative<br>Class I      | Portfolio<br>Optimization<br>Moderate-<br>Conservative<br>Class I | Portfolio<br>Optimization<br>Moderate<br>Class I                   |
|--|---|---|---|---|---|--|
| <b>INVESTMENT INCOME</b>   |   |   |   |   |   |  |
| Dividends  | \$-   | \$-   | \$-   | \$-   | \$-   | \$-  |
| <b>EXPENSES</b>  |   |   |   |   |   |  |
| Mortality and expense risk   | 527,839   | 1,717,299   | 828,484   | 1,079,899   | 1,765,762   | 6,671,110  |
| Administrative fees  | 115,662   | 376,742   | 195,176   | 195,685   | 305,627   | 1,160,736  |
| Total Expenses   | 643,501   | 2,094,041   | 1,023,660   | 1,275,584   | 2,071,389   | 7,831,846  |
| Net Investment Income (Loss)   | (643,501)   | (2,094,041)   | (1,023,660)   | (1,275,584)   | (2,071,389)   | (7,831,846)  |
| <b>REALIZED GAIN (LOSS) ON INVESTMENTS</b>                                     |   |   |   |   |   |  |
| Realized gain (loss) on sale of investments                                    | 864,990   | 1,557,141   | 7,998   | 124,420   | 7,125,217   | 24,046,969   |
| Capital gain distributions   | -   | -   | -   | -   | -   | -  |
| Realized Gain (Loss) on Investments  | 864,990   | 1,557,141   | 7,998   | 124,420   | 7,125,217   | 24,046,969   |
| <b>CHANGE IN NET UNREALIZED APPRECIATION<br/>(DEPRECIATION) ON INVESTMENTS</b> | 2,301,455   | 14,735,054  | 10,105,379  | 1,736,474   | 1,199,652   | 20,612,468   |
| NET INCREASE (DECREASE) IN NET ASSETS<br>RESULTING FROM OPERATIONS             | \$2,522,944   | \$14,198,154  | \$9,089,717   | \$585,310   | \$6,253,480   | \$36,827,591   |
|  | Portfolio<br>Optimization<br>Growth<br>Class I            | Portfolio<br>Optimization<br>Aggressive-<br>Growth<br>Class I | Invesco<br>Oppenheimer<br>V.I. International<br>Growth<br>Series II | Invesco V.I.<br>Balanced-Risk<br>Allocation<br>Series II  | Invesco V.I.<br>Equity and<br>Income<br>Series II                 | Invesco V.I.<br>Global<br>Real Estate<br>Series II                 |
| <b>INVESTMENT INCOME</b>   |   |   |   |   |   |  |
| Dividends  | \$-   | \$-   | \$-   | \$624,966   | \$34,747  | \$58,107   |
| <b>EXPENSES</b>  |   |   |   |   |   |  |
| Mortality and expense risk   | 5,503,182   | 1,391,048   | 11,960  | 230,562   | 20,361  | 15,840   |
| Administrative fees  | 943,427   | 231,006   | 2,785   | 48,035  | 4,238   | 4,972  |
| Total Expenses   | 6,446,609   | 1,622,054   | 14,745  | 278,597   | 24,599  | 20,812   |
| Net Investment Income (Loss)   | (6,446,609)   | (1,622,054)   | (14,745)  | 346,369   | 10,148  | 37,295   |
| <b>REALIZED GAIN (LOSS) ON INVESTMENTS</b>                                     |   |   |   |   |   |  |
| Realized gain (loss) on sale of investments                                    | 22,080,770  | 5,780,527   | (2,173)   | (87,346)  | 7,101   | (8,981)  |
| Capital gain distributions   | -   | -   | 115,977   | 672,417   | 20,741  | -  |
| Realized Gain (Loss) on Investments  | 22,080,770  | 5,780,527   | 113,804   | 585,071   | 27,842  | (8,981)  |
| <b>CHANGE IN NET UNREALIZED APPRECIATION<br/>(DEPRECIATION) ON INVESTMENTS</b> | 27,412,124  | 8,458,976   | 2,921   | 599,567   | 257,865   | 427,723  |
| NET INCREASE (DECREASE) IN NET ASSETS<br>RESULTING FROM OPERATIONS             | \$43,046,285  | \$12,617,449  | \$101,980   | \$1,531,007   | \$295,855   | \$456,037  |
|  | Invesco V.I.<br>Global<br>Series II                       | American<br>Century<br>VP Mid Cap Value<br>Class II           | American Funds<br>IS Asset Allocation<br>Class 4                    | American Funds<br>IS Capital<br>Income Builder<br>Class 4 | American Funds<br>IS Capital<br>World Bond<br>Class 4             | American Funds<br>IS Capital World<br>Growth and<br>Income Class 4 |
| <b>INVESTMENT INCOME</b>   |   |   |   |   |   |  |
| Dividends  | \$-   | \$48,606  | \$3,360,402   | \$103,373   | \$20,124  | \$41,202   |
| <b>EXPENSES</b>  |   |   |   |   |   |  |
| Mortality and expense risk   | 21,217  | 49,939  | 2,848,025   | 40,252  | 10,965  | 26,257   |
| Administrative fees  | 4,187   | 10,905  | 588,485   | 9,110   | 2,893   | 5,621  |
| Total Expenses   | 25,404  | 60,844  | 3,436,510   | 49,362  | 13,858  | 31,878   |
| Net Investment Income (Loss)   | (25,404)  | (12,238)  | (76,108)  | 54,011  | 6,266   | 9,324  |
| <b>REALIZED GAIN (LOSS) ON INVESTMENTS</b>                                     |   |   |   |   |   |  |
| Realized gain (loss) on sale of investments                                    | 27,996  | 26,786  | 826,655   | 3,290   | (7,463)   | (2,233)  |
| Capital gain distributions   | 98,930  | -   | 8,354,516   | -   | 32,430  | 53,366   |
| Realized Gain (Loss) on Investments  | 126,926   | 26,786  | 9,181,171   | 3,290   | 24,967  | 51,133   |
| <b>CHANGE IN NET UNREALIZED APPRECIATION<br/>(DEPRECIATION) ON INVESTMENTS</b> | 129,336   | 870,903   | 21,729,002  | 442,786   | (111,164)   | 232,170  |
| NET INCREASE (DECREASE) IN NET ASSETS<br>RESULTING FROM OPERATIONS             | \$230,858   | \$885,451   | \$30,834,065  | \$500,087   | (\$79,931)  | \$292,627  |

SEPARATE ACCOUNT A  
STATEMENTS OF OPERATIONS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2021

Variable Accounts

|  | American Funds<br>IS Global Balanced<br>Class 4                | American Funds<br>IS Global Growth<br>Class 4                      | American Funds<br>IS Global Small<br>Capitalization<br>Class 4    | American Funds<br>IS Growth<br>Class 4              | American Funds<br>IS Growth-Income<br>Class 4               | American Funds<br>IS American<br>High-Income<br>Trust<br>Class 4 |
|--|--|--|---|---|---|--|
| <b>INVESTMENT INCOME</b>   |  |  |   |   |   |  |
| Dividends  | \$33,905   | \$11,147   | \$-   | \$17,127  | \$158,286   | \$122,032  |
| <b>EXPENSES</b>  |  |  |   |   |   |  |
| Mortality and expense risk   | 35,164   | 60,172   | 24,050  | 356,758   | 185,600   | 27,109   |
| Administrative fees  | 9,068  | 12,911   | 5,044   | 72,679  | 40,787  | 6,056  |
| Total Expenses   | 44,232   | 73,083   | 29,094  | 429,437   | 226,387   | 33,165   |
| Net Investment Income (Loss)   | (10,327)   | (61,936)   | (29,094)  | (412,310)   | (68,101)  | 88,867   |
| <b>REALIZED GAIN (LOSS) ON INVESTMENTS</b>                                     |  |  |   |   |   |  |
| Realized gain (loss) on sale of investments                                    | 3,568  | 249,180  | 3,180   | 842,145   | 209,587   | (8,252)  |
| Capital gain distributions   | 237,798  | 255,909  | 50,017  | 3,734,094   | 162,123   | -  |
| Realized Gain (Loss) on Investments  | 241,366  | 505,089  | 53,197  | 4,576,239   | 371,710   | (8,252)  |
| <b>CHANGE IN NET UNREALIZED APPRECIATION<br/>(DEPRECIATION) ON INVESTMENTS</b> | 129,559  | 301,812  | 33,720  | 1,219,710   | 3,008,345   | 79,531   |
| NET INCREASE (DECREASE) IN NET ASSETS<br>RESULTING FROM OPERATIONS             | \$360,598  | \$744,965  | \$57,823  | \$5,383,639   | \$3,311,954   | \$160,146  |
|  | American Funds<br>IS International<br>Class 4                  | American Funds<br>IS International<br>Growth and Income<br>Class 4 | American Funds<br>IS Managed Risk<br>Asset Allocation<br>Class P2 | American Funds IS<br>New World Fund<br>Class 4      | American Funds<br>IS The Bond Fund<br>of America<br>Class 4 | American Funds IS<br>U.S. Government<br>Securities<br>Class 4    |
| <b>INVESTMENT INCOME</b>   |  |  |   |   |   |  |
| Dividends  | \$83,783   | \$57,858   | \$221,200   | \$25,239  | \$72,713  | \$42,723   |
| <b>EXPENSES</b>  |  |  |   |   |   |  |
| Mortality and expense risk   | 32,916   | 22,726   | 175,447   | 37,744  | 54,575  | 49,100   |
| Administrative fees  | 8,484  | 4,953  | 41,025  | 8,352   | 13,436  | 11,164   |
| Total Expenses   | 41,400   | 27,679   | 216,472   | 46,096  | 68,011  | 60,264   |
| Net Investment Income (Loss)   | 42,383   | 30,179   | 4,728   | (20,857)  | 4,702   | (17,541)   |
| <b>REALIZED GAIN (LOSS) ON INVESTMENTS</b>                                     |  |  |   |   |   |  |
| Realized gain (loss) on sale of investments                                    | (24,056)   | 14,884   | 52,040  | (11,523)  | (54,081)  | (147,094)  |
| Capital gain distributions   | -  | -  | -   | 125,472   | 237,391   | 396,237  |
| Realized Gain (Loss) on Investments  | (24,056)   | 14,884   | 52,040  | 113,949   | 183,310   | 249,143  |
| <b>CHANGE IN NET UNREALIZED APPRECIATION<br/>(DEPRECIATION) ON INVESTMENTS</b> | (143,988)  | 33,901   | 1,662,402   | 3,726   | (302,291)   | (363,419)  |
| NET INCREASE (DECREASE) IN NET ASSETS<br>RESULTING FROM OPERATIONS             | (\$125,661)  | \$78,964   | \$1,719,170   | \$96,818  | (\$114,279)   | (\$131,817)  |
|  | American Funds<br>IS Washington<br>Mutual Investors<br>Class 4 | BlackRock<br>60/40 Target<br>Allocation ETF<br>V.I. Class I        | BlackRock<br>Capital<br>Appreciation<br>V.I. Class III            | BlackRock<br>Global<br>Allocation<br>V.I. Class III | Fidelity VIP<br>Contrafund<br>Service Class 2               | Fidelity VIP<br>FundsManager 60%<br>Service Class 2              |
| <b>INVESTMENT INCOME</b>   |  |  |   |   |   |  |
| Dividends  | \$126,528  | \$266,061  | \$-   | \$1,001,766   | \$10,197  | \$385,802  |
| <b>EXPENSES</b>  |  |  |   |   |   |  |
| Mortality and expense risk   | 94,657   | 124,867  | 3,944   | 1,348,800   | 398,483   | 415,921  |
| Administrative fees  | 20,761   | 29,175   | 875   | 273,295   | 93,052  | 93,927   |
| Total Expenses   | 115,418  | 154,042  | 4,819   | 1,622,095   | 491,535   | 509,848  |
| Net Investment Income (Loss)   | 11,110   | 112,019  | (4,819)   | (620,329)   | (481,338)   | (124,046)  |
| <b>REALIZED GAIN (LOSS) ON INVESTMENTS</b>                                     |  |  |   |   |   |  |
| Realized gain (loss) on sale of investments                                    | 3,928  | 2,494  | 18,712  | 436,684   | 14,831  | (5,739)  |
| Capital gain distributions   | -  | 988,755  | 105,512   | 20,048,783  | 4,995,012   | 625,684  |
| Realized Gain (Loss) on Investments  | 3,928  | 991,249  | 124,224   | 20,485,467  | 5,009,843   | 619,945  |
| <b>CHANGE IN NET UNREALIZED APPRECIATION<br/>(DEPRECIATION) ON INVESTMENTS</b> | 2,011,197  | 119,301  | (12,769)  | (13,713,185)  | 4,310,965   | 3,484,047  |
| NET INCREASE (DECREASE) IN NET ASSETS<br>RESULTING FROM OPERATIONS             | \$2,026,235  | \$1,222,569  | \$106,636   | \$6,151,953   | \$8,839,470   | \$3,979,946  |

SEPARATE ACCOUNT A  
STATEMENTS OF OPERATIONS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2021

|  | Variable Accounts   |   |  |   |   |  |
|--|---|---|--|---|---|--|
|  | Fidelity VIP<br>Government<br>Money Market<br>Service Class | Fidelity VIP<br>Strategic Income<br>Service Class 2 | First Trust<br>Dorsey Wright<br>Tactical Core<br>Class I | First Trust<br>Multi Income<br>Allocation<br>Class I        | First Trust/Dow<br>Jones Dividend &<br>Income Allocation<br>Class I | Franklin<br>Allocation<br>VIP Class 2                      |
| <b>INVESTMENT INCOME</b>   |   |   |  |   |   |  |
| Dividends  | \$2,499   | \$183,427   | \$10,226   | \$20,671  | \$510,740   | \$2,731  |
| <b>EXPENSES</b>  |   |   |  |   |   |  |
| Mortality and expense risk   | 269,494   | 76,560  | 28,005   | 9,174   | 576,913   | 1,282  |
| Administrative fees  | 57,123  | 16,840  | 5,796  | 2,083   | 126,233   | 236  |
| Total Expenses   | 326,617   | 93,400  | 33,801   | 11,257  | 703,146   | 1,518  |
| Net Investment Income (Loss)   | (324,118)   | 90,027  | (23,575)   | 9,414   | (192,406)   | 1,213  |
| <b>REALIZED GAIN (LOSS) ON INVESTMENTS</b>                                     |   |   |  |   |   |  |
| Realized gain (loss) on sale of investments                                    | -   | (2,663)   | 2,013  | 12,968  | 31,346  | (796)  |
| Capital gain distributions   | -   | 117,455   | 73,903   | -   | 407,116   | -  |
| Realized Gain (Loss) on Investments  | -   | 114,792   | 75,916   | 12,968  | 438,462   | (796)  |
| <b>CHANGE IN NET UNREALIZED APPRECIATION<br/>(DEPRECIATION) ON INVESTMENTS</b> | -   | (56,884)  | 227,032  | 68,598  | 5,201,218   | 15,378   |
| NET INCREASE (DECREASE) IN NET ASSETS<br>RESULTING FROM OPERATIONS             | (\$324,118)   | \$147,935   | \$279,373  | \$90,980  | \$5,447,274   | \$15,795   |
|  | Franklin<br>Allocation<br>VIP Class 4                       | Franklin<br>Income<br>VIP Class 2                   | Franklin<br>Mutual Global<br>Discovery<br>VIP Class 2    | Franklin<br>Rising<br>Dividends<br>VIP Class 2              | Templeton<br>Global Bond<br>VIP Class 2                             | Ivy<br>VIP Asset<br>Strategy<br>Class II                   |
| <b>INVESTMENT INCOME</b>   |   |   |  |   |   |  |
| Dividends  | \$210,789   | \$497,440   | \$131,125  | \$112,455   | \$-   | \$17,261   |
| <b>EXPENSES</b>  |   |   |  |   |   |  |
| Mortality and expense risk   | 156,209   | 104,723   | 47,931   | 135,642   | 60,140  | 8,119  |
| Administrative fees  | 29,864  | 25,937  | 10,370   | 31,154  | 14,353  | 1,915  |
| Total Expenses   | 186,073   | 130,660   | 58,301   | 166,796   | 74,493  | 10,034   |
| Net Investment Income (Loss)   | 24,716  | 366,780   | 72,824   | (54,341)  | (74,493)  | 7,227  |
| <b>REALIZED GAIN (LOSS) ON INVESTMENTS</b>                                     |   |   |  |   |   |  |
| Realized gain (loss) on sale of investments                                    | (240,176)   | 331   | (39,001)   | 203,637   | (303,325)   | 190  |
| Capital gain distributions   | -   | -   | -  | 423,536   | -   | 108,009  |
| Realized Gain (Loss) on Investments  | (240,176)   | 331   | (39,001)   | 627,173   | (303,325)   | 108,199  |
| <b>CHANGE IN NET UNREALIZED APPRECIATION<br/>(DEPRECIATION) ON INVESTMENTS</b> | 1,492,734   | 1,135,036   | 830,224  | 2,385,223   | (11,408)  | (53,434)   |
| NET INCREASE (DECREASE) IN NET ASSETS<br>RESULTING FROM OPERATIONS             | \$1,277,274   | \$1,502,147   | \$864,047  | \$2,958,055   | (\$389,226)   | \$61,992   |
|  | Ivy<br>VIP Energy<br>Class II                               | Janus<br>Henderson<br>Balanced<br>Service Shares    | Janus<br>Henderson<br>Flexible Bond<br>Service Shares    | JPMorgan<br>Insurance Trust<br>Global Allocation<br>Class 2 | JPMorgan<br>Insurance Trust<br>Income Builder<br>Class 2            | ClearBridge<br>Variable<br>Aggressive<br>Growth - Class II |
| <b>INVESTMENT INCOME</b>   |   |   |  |   |   |  |
| Dividends  | \$26,891  | \$2,742,598   | \$58,312   | \$4,415   | \$28,968  | \$2,071  |
| <b>EXPENSES</b>  |   |   |  |   |   |  |
| Mortality and expense risk   | 18,252  | 4,075,259   | 31,067   | 6,856   | 12,093  | 13,060   |
| Administrative fees  | 3,934   | 938,846   | 7,452  | 1,376   | 2,717   | 2,559  |
| Total Expenses   | 22,186  | 5,014,105   | 38,519   | 8,232   | 14,810  | 15,619   |
| Net Investment Income (Loss)   | 4,705   | (2,271,507)   | 19,793   | (3,817)   | 14,158  | (13,548)   |
| <b>REALIZED GAIN (LOSS) ON INVESTMENTS</b>                                     |   |   |  |   |   |  |
| Realized gain (loss) on sale of investments                                    | (181,319)   | (127,595)   | (30,152)   | 428   | 3,933   | 298  |
| Capital gain distributions   | -   | 2,912,720   | 92,234   | 22,134  | 3,705   | 382,532  |
| Realized Gain (Loss) on Investments  | (181,319)   | 2,785,125   | 62,082   | 22,562  | 7,638   | 382,830  |
| <b>CHANGE IN NET UNREALIZED APPRECIATION<br/>(DEPRECIATION) ON INVESTMENTS</b> | 653,503   | 57,124,108  | (138,296)  | 19,841  | 51,925  | (322,801)  |
| NET INCREASE (DECREASE) IN NET ASSETS<br>RESULTING FROM OPERATIONS             | \$476,889   | \$57,637,726  | (\$56,421)   | \$38,586  | \$73,721  | \$46,481   |



**SEPARATE ACCOUNT A  
STATEMENTS OF CHANGES IN NET ASSETS**

|  | Variable Accounts                  |                                    |                                    |                                    |                                    |                                    |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
|  | Year Ended<br>December 31,<br>2021 | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021 | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021 | Year Ended<br>December 31,<br>2020 |
|  | Core Income<br>Class I             |                                    | Diversified Bond<br>Class I        |                                    | Floating Rate Income<br>Class I    |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| <b>FROM OPERATIONS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| Net investment income (loss)   | (\$16,495)                         | (\$16,018)                         | (\$161,036)                        | (\$128,388)                        | (\$129,484)                        | (\$129,982)                        |
| Realized gain (loss) on investments  | (1,551)                            | 14,330                             | (29,025)                           | 17,705                             | 37,568                             | (3,808)                            |
| Change in net unrealized appreciation<br>(depreciation) on investments               | (5,327)                            | 115,268                            | (191,250)                          | 990,254                            | 393,977                            | 348,534                            |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | (23,373)                           | 113,580                            | (381,311)                          | 879,571                            | 302,061                            | 214,744                            |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |                                    |                                    |                                    |                                    |                                    |                                    |
| Payments received from contract owners   | 59,180                             | 230,251                            | 1,941,089                          | 1,258,000                          | 374,649                            | 173,862                            |
| Transfers between variable and fixed accounts, net                                   | 189,941                            | 154,214                            | 710,372                            | 1,766,044                          | 1,221,246                          | (958,253)                          |
| Contract benefits and terminations   | (185,759)                          | (79,441)                           | (1,378,968)                        | (1,103,696)                        | (1,660,486)                        | (1,080,204)                        |
| Contract charges and deductions  | (34)                               | (25)                               | (14,298)                           | (15,016)                           | (7,971)                            | (8,076)                            |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -                                  | -                                  | 226                                | (9,406)                            | 146                                | 104                                |
| Other  | (3)                                | 294                                | 4                                  | 713                                | (31)                               | 478                                |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 63,325                             | 305,293                            | 1,258,425                          | 1,896,639                          | (72,447)                           | (1,872,089)                        |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>39,952</b>                      | <b>418,873</b>                     | <b>877,114</b>                     | <b>2,776,210</b>                   | <b>229,614</b>                     | <b>(1,657,345)</b>                 |
| <b>NET ASSETS</b>  |                                    |                                    |                                    |                                    |                                    |                                    |
| Beginning of Year  | 1,346,669                          | 927,796                            | 11,889,597                         | 9,113,387                          | 9,318,954                          | 10,976,299                         |
| End of Year  | \$1,386,621                        | \$1,346,669                        | \$12,766,711                       | \$11,889,597                       | \$9,548,568                        | \$9,318,954                        |
|  | High Yield Bond<br>Class I         |                                    | Inflation Managed<br>Class I       |                                    | Managed Bond<br>Class I            |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| <b>FROM OPERATIONS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| Net investment income (loss)   | (\$106,221)                        | (\$99,118)                         | (\$107,826)                        | (\$98,476)                         | (\$201,443)                        | (\$218,290)                        |
| Realized gain (loss) on investments  | 44,146                             | 56,404                             | 30,203                             | 49,328                             | 256,747                            | (5,567)                            |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 356,966                            | 354,469                            | 407,778                            | 702,685                            | (444,531)                          | 1,091,302                          |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 294,891                            | 311,755                            | 330,155                            | 653,537                            | (389,227)                          | 867,445                            |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |                                    |                                    |                                    |                                    |                                    |                                    |
| Payments received from contract owners   | 575,864                            | 442,626                            | 952,275                            | 503,478                            | 1,088,404                          | 564,175                            |
| Transfers between variable and fixed accounts, net                                   | 411,697                            | (28,058)                           | 1,163,094                          | 12,165                             | 798,216                            | 873,580                            |
| Contract benefits and terminations   | (765,556)                          | (526,475)                          | (1,002,628)                        | (728,252)                          | (2,982,847)                        | (1,762,621)                        |
| Contract charges and deductions  | (15,376)                           | (14,469)                           | (10,068)                           | (10,226)                           | (21,521)                           | (21,748)                           |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -                                  | (2,898)                            | (3,350)                            | (636)                              | 222                                | (1,916)                            |
| Other  | 69                                 | (4)                                | (23)                               | 130                                | 138                                | 2                                  |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 206,698                            | (129,278)                          | 1,099,300                          | (223,341)                          | (1,117,388)                        | (348,528)                          |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>501,589</b>                     | <b>182,477</b>                     | <b>1,429,455</b>                   | <b>430,196</b>                     | <b>(1,506,615)</b>                 | <b>518,917</b>                     |
| <b>NET ASSETS</b>  |                                    |                                    |                                    |                                    |                                    |                                    |
| Beginning of Year  | 7,435,655                          | 7,253,178                          | 7,446,951                          | 7,016,755                          | 15,600,215                         | 15,081,298                         |
| End of Year  | \$7,937,244                        | \$7,435,655                        | \$8,876,406                        | \$7,446,951                        | \$14,093,600                       | \$15,600,215                       |

SEPARATE ACCOUNT A  
STATEMENTS OF CHANGES IN NET ASSETS (Continued)

|  | Variable Accounts                  |                                    |                                    |                                    |                                    |                                    |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
|  | Year Ended<br>December 31,<br>2021 | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021 | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021 | Year Ended<br>December 31,<br>2020 |
|  | Short Duration Bond<br>Class I     |                                    | Emerging Markets Debt<br>Class I   |                                    | Dividend Growth<br>Class I         |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| <b>FROM OPERATIONS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| Net investment income (loss)   | (\$162,464)                        | (\$145,033)                        | (\$27,625)                         | (\$21,531)                         | (\$310,372)                        | (\$240,808)                        |
| Realized gain (loss) on investments  | (1,992)                            | 57,538                             | (641)                              | 17,532                             | 29,284                             | (96,875)                           |
| Change in net unrealized appreciation<br>(depreciation) on investments               | (62,630)                           | 351,757                            | (125,942)                          | 31,989                             | 5,576,946                          | 2,539,559                          |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | (227,086)                          | 264,262                            | (154,208)                          | 27,990                             | 5,295,858                          | 2,201,876                          |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |                                    |                                    |                                    |                                    |                                    |                                    |
| Payments received from contract owners   | 1,446,249                          | 1,561,137                          | 35,115                             | 28,386                             | 3,015,016                          | 1,434,017                          |
| Transfers between variable and fixed accounts, net                                   | 1,757,378                          | 1,511,120                          | 206,111                            | 205,742                            | 815,222                            | (473,868)                          |
| Contract benefits and terminations   | (2,234,178)                        | (3,274,455)                        | (134,373)                          | (102,635)                          | (2,528,892)                        | (1,323,789)                        |
| Contract charges and deductions  | (19,611)                           | (21,868)                           | (3,361)                            | (3,354)                            | (21,817)                           | (22,057)                           |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | 270                                | (1,165)                            | -                                  | -                                  | -                                  | -                                  |
| Other  | (54)                               | (726)                              | (78)                               | (213)                              | (4,037)                            | 3,183                              |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 950,054                            | (225,957)                          | 103,414                            | 127,926                            | 1,275,492                          | (382,514)                          |
| NET INCREASE (DECREASE) IN NET ASSETS  | 722,968                            | 38,305                             | (50,794)                           | 155,916                            | 6,571,350                          | 1,819,362                          |
| <b>NET ASSETS</b>  |                                    |                                    |                                    |                                    |                                    |                                    |
| Beginning of Year  | 13,459,645                         | 13,421,340                         | 2,047,971                          | 1,892,055                          | 21,554,135                         | 19,734,773                         |
| End of Year  | \$14,182,613                       | \$13,459,645                       | \$1,997,177                        | \$2,047,971                        | \$28,125,485                       | \$21,554,135                       |
|  | Equity Index<br>Class I            |                                    | Focused Growth<br>Class I          |                                    | Growth<br>Class I                  |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| <b>FROM OPERATIONS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| Net investment income (loss)   | (\$1,679,757)                      | (\$1,241,167)                      | (\$216,846)                        | (\$146,753)                        | (\$155,768)                        | (\$132,144)                        |
| Realized gain (loss) on investments  | 302,153                            | 347,499                            | 55,953                             | 253,744                            | 123,781                            | 374,384                            |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 33,187,594                         | 17,268,272                         | 2,839,940                          | 3,268,086                          | 2,417,373                          | 2,488,135                          |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 31,809,990                         | 16,374,604                         | 2,679,047                          | 3,375,077                          | 2,385,386                          | 2,730,375                          |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |                                    |                                    |                                    |                                    |                                    |                                    |
| Payments received from contract owners   | 18,228,912                         | 15,862,201                         | 1,025,802                          | 746,036                            | 977,953                            | 908,303                            |
| Transfers between variable and fixed accounts, net                                   | (1,640,049)                        | (4,755,611)                        | (142,794)                          | 1,610,881                          | 686,073                            | (1,661,248)                        |
| Contract benefits and terminations   | (8,600,561)                        | (8,767,475)                        | (1,293,822)                        | (671,221)                          | (1,234,596)                        | (442,632)                          |
| Contract charges and deductions  | (17,538)                           | (16,852)                           | (3,967)                            | (4,361)                            | (6,642)                            | (6,743)                            |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | (17)                               | -                                  | (1)                                | -                                  | -                                  | -                                  |
| Other  | (2,818)                            | (6,117)                            | (836)                              | (1,235)                            | (1,153)                            | 246                                |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 7,967,929                          | 2,316,146                          | (415,618)                          | 1,680,100                          | 421,635                            | (1,202,074)                        |
| NET INCREASE (DECREASE) IN NET ASSETS  | 39,777,919                         | 18,690,750                         | 2,263,429                          | 5,055,177                          | 2,807,021                          | 1,528,301                          |
| <b>NET ASSETS</b>  |                                    |                                    |                                    |                                    |                                    |                                    |
| Beginning of Year  | 117,294,135                        | 98,603,385                         | 15,102,007                         | 10,046,830                         | 11,090,651                         | 9,562,350                          |
| End of Year  | \$157,072,054                      | \$117,294,135                      | \$17,365,436                       | \$15,102,007                       | \$13,897,672                       | \$11,090,651                       |

**SEPARATE ACCOUNT A**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

|   | Variable Accounts |                |                  |                  |                  |                  |
|---|-------------------|----------------|------------------|------------------|------------------|------------------|
|   | Year/Period Ended | Year Ended     | Year Ended       | Year Ended       | Year Ended       | Year Ended       |
|   | December 31,      | December 31,   | December 31,     | December 31,     | December 31,     | December 31,     |
|   | 2021              | 2020           | 2021             | 2020             | 2021             | 2020             |
|   | Hedged Equity     |                | Large-Cap Growth |                  | Large-Cap Value  |                  |
|   | Class I (1)       |                | Class I          |                  | Class I          |                  |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>  |                   |                |                  |                  |                  |                  |
| <b>FROM OPERATIONS</b>  |                   |                |                  |                  |                  |                  |
| Net investment income (loss)  | (\$23,407)        |                | (\$214,497)      | (\$165,958)      | (\$110,479)      | (\$83,200)       |
| Realized gain (loss) on investments   | (211)             |                | 835,461          | 187,115          | 50,065           | (9,155)          |
| Change in net unrealized appreciation (depreciation) on investments               | 129,675           |                | 2,119,851        | 4,204,988        | 1,872,192        | 509,930          |
| Net Increase (Decrease) in Net Assets Resulting from Operations                   | 106,057           |                | 2,740,815        | 4,226,145        | 1,811,778        | 417,575          |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>  |                   |                |                  |                  |                  |                  |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>   |                   |                |                  |                  |                  |                  |
| Payments received from contract owners  | 4,493,530         |                | 1,595,581        | 1,155,876        | 1,217,901        | 353,785          |
| Transfers between variable and fixed accounts, net                                | 1,242,198         |                | (3,421,372)      | 2,915,971        | 43,803           | 617,640          |
| Contract benefits and terminations  | (6,099)           |                | (1,569,480)      | (1,081,703)      | (1,021,712)      | (479,278)        |
| Contract charges and deductions   | (16,042)          |                | (3,068)          | (2,554)          | (12,284)         | (11,989)         |
| Adjustments to net assets allocated to contracts in payout (annuitization) period | -                 |                | -                | -                | -                | -                |
| Other   | 340               |                | (2,753)          | (269)            | 1,915            | 384              |
| Net Increase (Decrease) in Net Assets Derived from Contract Owner Transactions    | 5,713,927         |                | (3,401,092)      | 2,987,321        | 229,623          | 480,542          |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>                                      | <b>5,819,984</b>  |                | <b>(660,277)</b> | <b>7,213,466</b> | <b>2,041,401</b> | <b>898,117</b>   |
| <b>NET ASSETS</b>   |                   |                |                  |                  |                  |                  |
| Beginning of Year or Period   | -                 |                | 16,886,712       | 9,673,246        | 7,507,171        | 6,609,054        |
| End of Year or Period   | \$5,819,984       |                | \$16,226,435     | \$16,886,712     | \$9,548,572      | \$7,507,171      |
|   | Main Street Core  |                | Mid-Cap Equity   |                  | Mid-Cap Growth   |                  |
|   | Class I           |                | Class I          |                  | Class I          |                  |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>  |                   |                |                  |                  |                  |                  |
| <b>FROM OPERATIONS</b>  |                   |                |                  |                  |                  |                  |
| Net investment income (loss)  | (\$104,098)       | (\$85,124)     | (\$98,616)       | (\$75,882)       | (\$215,864)      | (\$145,377)      |
| Realized gain (loss) on investments   | 287,067           | (9,537)        | 168,113          | 354,894          | 54,103           | 243,690          |
| Change in net unrealized appreciation (depreciation) on investments               | 1,600,791         | 868,380        | 868,398          | 1,168,140        | 2,448,307        | 4,484,717        |
| Net Increase (Decrease) in Net Assets Resulting from Operations                   | 1,783,760         | 773,719        | 937,895          | 1,447,152        | 2,286,546        | 4,583,030        |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>  |                   |                |                  |                  |                  |                  |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>   |                   |                |                  |                  |                  |                  |
| Payments received from contract owners  | 329,387           | 753,253        | 1,140,740        | 190,524          | 1,624,652        | 1,370,406        |
| Transfers between variable and fixed accounts, net                                | (299,992)         | (389,497)      | 431,277          | (686,880)        | (320,405)        | (423,470)        |
| Contract benefits and terminations  | (766,484)         | (362,323)      | (1,004,816)      | (336,593)        | (1,393,563)      | (535,856)        |
| Contract charges and deductions   | (6,365)           | (6,493)        | (7,865)          | (7,015)          | (13,067)         | (12,744)         |
| Adjustments to net assets allocated to contracts in payout (annuitization) period | 182               | (1,277)        | 59               | (379)            | -                | -                |
| Other   | (274)             | 108            | (3,980)          | (130)            | (3,729)          | 380              |
| Net Increase (Decrease) in Net Assets Derived from Contract Owner Transactions    | (743,546)         | (6,229)        | 555,415          | (840,473)        | (106,112)        | 398,716          |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>                                      | <b>1,040,214</b>  | <b>767,490</b> | <b>1,493,310</b> | <b>606,679</b>   | <b>2,180,434</b> | <b>4,981,746</b> |
| <b>NET ASSETS</b>   |                   |                |                  |                  |                  |                  |
| Beginning of Year   | 7,152,440         | 6,384,950      | 6,349,578        | 5,742,899        | 15,057,702       | 10,075,956       |
| End of Year   | \$8,192,654       | \$7,152,440    | \$7,842,888      | \$6,349,578      | \$17,238,136     | \$15,057,702     |

(1) Operations commenced or resumed during 2021 (See Financial Highlights for commencement date of operations).



**SEPARATE ACCOUNT A**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

|  | Variable Accounts                  |                                    |                                    |                                    |                                    |                                    |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
|  | Year Ended<br>December 31,<br>2021 | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021 | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021 | Year Ended<br>December 31,<br>2020 |
|  | Mid-Cap Value<br>Class I           |                                    | Small-Cap Equity<br>Class I        |                                    | Small-Cap Growth<br>Class I        |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| <b>FROM OPERATIONS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| Net investment income (loss)   | (\$73,488)                         | (\$44,078)                         | (\$39,118)                         | (\$29,132)                         | (\$122,447)                        | (\$87,238)                         |
| Realized gain (loss) on investments  | 79,422                             | 12,723                             | 136,555                            | 19,188                             | 86,764                             | 66,837                             |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 1,172,441                          | 334,535                            | 574,124                            | 152,039                            | 93,648                             | 2,959,208                          |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 1,178,375                          | 303,180                            | 671,561                            | 142,095                            | 57,965                             | 2,938,807                          |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |                                    |                                    |                                    |                                    |                                    |                                    |
| Payments received from contract owners   | 391,053                            | 277,636                            | 152,928                            | 145,153                            | 538,425                            | 529,616                            |
| Transfers between variable and fixed accounts, net                                   | 1,529,260                          | 202,009                            | (86,172)                           | (2,541)                            | (74,577)                           | (788,156)                          |
| Contract benefits and terminations   | (626,865)                          | (234,740)                          | (279,602)                          | (208,059)                          | (833,687)                          | (339,654)                          |
| Contract charges and deductions  | (7,821)                            | (7,030)                            | (2,004)                            | (2,053)                            | (6,535)                            | (6,266)                            |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -                                  | -                                  | -                                  | -                                  | -                                  | -                                  |
| Other  | (1,572)                            | 67                                 | (10)                               | 2                                  | (1,263)                            | (315)                              |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 1,284,055                          | 237,942                            | (214,860)                          | (67,498)                           | (377,637)                          | (604,775)                          |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>2,462,430</b>                   | <b>541,122</b>                     | <b>456,701</b>                     | <b>74,597</b>                      | <b>(319,672)</b>                   | <b>2,334,032</b>                   |
| <b>NET ASSETS</b>  |                                    |                                    |                                    |                                    |                                    |                                    |
| Beginning of Year  | 4,405,706                          | 3,864,584                          | 2,775,602                          | 2,701,005                          | 8,973,996                          | 6,639,964                          |
| End of Year  | \$6,868,136                        | \$4,405,706                        | \$3,232,303                        | \$2,775,602                        | \$8,654,324                        | \$8,973,996                        |
|  | Small-Cap Index<br>Class I         |                                    | Small-Cap Value<br>Class I         |                                    | Value<br>Class I                   |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| <b>FROM OPERATIONS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| Net investment income (loss)   | (\$151,300)                        | (\$107,463)                        | (\$80,444)                         | (\$49,571)                         | (\$40,318)                         | (\$36,370)                         |
| Realized gain (loss) on investments  | 92,108                             | (103,243)                          | 135,626                            | 35,453                             | 294,269                            | 63,418                             |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 1,449,517                          | 1,811,357                          | 1,454,417                          | 230,525                            | 308,497                            | (344,781)                          |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 1,390,325                          | 1,600,651                          | 1,509,599                          | 216,407                            | 562,448                            | (317,733)                          |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |                                    |                                    |                                    |                                    |                                    |                                    |
| Payments received from contract owners   | 2,028,678                          | 945,798                            | 415,168                            | 133,214                            | 89,192                             | 13,667                             |
| Transfers between variable and fixed accounts, net                                   | 702,906                            | (1,105,548)                        | 186,205                            | 167,342                            | 44,063                             | 10,632                             |
| Contract benefits and terminations   | (926,135)                          | (489,719)                          | (678,488)                          | (303,799)                          | (581,685)                          | (204,745)                          |
| Contract charges and deductions  | (2,968)                            | (2,746)                            | (5,806)                            | (5,763)                            | (7,401)                            | (8,309)                            |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | 37                                 | (248)                              | -                                  | -                                  | -                                  | -                                  |
| Other  | (1,611)                            | 60                                 | (2,417)                            | (17)                               | 152                                | (536)                              |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 1,800,907                          | (652,403)                          | (85,338)                           | (9,023)                            | (455,679)                          | (189,291)                          |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>3,191,232</b>                   | <b>948,248</b>                     | <b>1,424,261</b>                   | <b>207,384</b>                     | <b>106,769</b>                     | <b>(507,024)</b>                   |
| <b>NET ASSETS</b>  |                                    |                                    |                                    |                                    |                                    |                                    |
| Beginning of Year  | 11,083,754                         | 10,135,506                         | 4,640,712                          | 4,433,328                          | 2,954,360                          | 3,461,384                          |
| End of Year  | \$14,274,986                       | \$11,083,754                       | \$6,064,973                        | \$4,640,712                        | \$3,061,129                        | \$2,954,360                        |

**SEPARATE ACCOUNT A**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

|  | Variable Accounts                  |                                    |                                    |                                    |   |                                    |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|---|------------------------------------|
|  | Year Ended<br>December 31,<br>2021 | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021 | Year Ended<br>December 31,<br>2020 | Year/Period Ended<br>December 31,<br>2021 | Year Ended<br>December 31,<br>2020 |
|  | Value Advantage<br>Class I         |                                    | Emerging Markets<br>Class I        |                                    | International Growth<br>Class I (1)       |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |                                    |                                    |   |                                    |
| <b>FROM OPERATIONS</b>   |                                    |                                    |                                    |                                    |   |                                    |
| Net investment income (loss)   | (\$50,157)                         | (\$20,651)                         | (\$106,537)                        | (\$100,838)                        | (\$5)                                     |                                    |
| Realized gain (loss) on investments  | 22,745                             | (12,081)                           | 281,744                            | 401,420                            | -   |                                    |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 732,321                            | (11,228)                           | (915,355)                          | 887,035                            | 390                                       |                                    |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 704,909                            | (43,960)                           | (740,148)                          | 1,187,617                          | 385                                       |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |                                    |                                    |   |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |                                    |                                    |                                    |                                    |   |                                    |
| Payments received from contract owners   | 303,307                            | 212,948                            | 613,076                            | 236,203                            | 9,423                                     |                                    |
| Transfers between variable and fixed accounts, net                                   | 1,866,467                          | (9,466)                            | 140,692                            | (1,026,476)                        | -   |                                    |
| Contract benefits and terminations   | (408,704)                          | (45,171)                           | (908,024)                          | (427,735)                          | -   |                                    |
| Contract charges and deductions  | (824)                              | (681)                              | (12,839)                           | (13,250)                           | -   |                                    |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -                                  | -                                  | -                                  | -                                  | -   |                                    |
| Other  | (93)                               | (9)                                | (2,051)                            | 134                                | -   |                                    |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 1,760,153                          | 157,621                            | (169,146)                          | (1,231,124)                        | 9,423                                     |                                    |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>2,465,062</b>                   | <b>113,661</b>                     | <b>(909,294)</b>                   | <b>(43,507)</b>                    | <b>9,808</b>                              |                                    |
| <b>NET ASSETS</b>  |                                    |                                    |                                    |                                    |   |                                    |
| Beginning of Year or Period  | 1,940,399                          | 1,826,738                          | 8,237,393                          | 8,280,900                          | -   |                                    |
| End of Year or Period  | \$4,405,461                        | \$1,940,399                        | \$7,328,099                        | \$8,237,393                        | \$9,808                                   |                                    |
|  | International Large-Cap<br>Class I |                                    | International Small-Cap<br>Class I |                                    | International Value<br>Class I            |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |                                    |                                    |   |                                    |
| <b>FROM OPERATIONS</b>   |                                    |                                    |                                    |                                    |   |                                    |
| Net investment income (loss)   | (\$111,419)                        | (\$92,070)                         | (\$23,898)                         | (\$18,666)                         | (\$70,561)                                | (\$52,493)                         |
| Realized gain (loss) on investments  | 69,235                             | 61,360                             | 15,953                             | (32)                               | 57,786                                    | (93,504)                           |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 1,124,961                          | 729,068                            | 201,768                            | 133,962                            | 850,439                                   | (129,736)                          |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 1,082,777                          | 698,358                            | 193,823                            | 115,264                            | 837,664                                   | (275,733)                          |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |                                    |                                    |   |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |                                    |                                    |                                    |                                    |   |                                    |
| Payments received from contract owners   | 734,605                            | 493,567                            | 70,173                             | 49,968                             | 97,370                                    | 76,751                             |
| Transfers between variable and fixed accounts, net                                   | 81,925                             | (21,411)                           | 22,321                             | (14,997)                           | 482,815                                   | 624,149                            |
| Contract benefits and terminations   | (595,839)                          | (485,986)                          | (104,868)                          | (83,464)                           | (690,115)                                 | (278,104)                          |
| Contract charges and deductions  | (24,449)                           | (24,885)                           | (5,126)                            | (4,369)                            | (15,763)                                  | (14,259)                           |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | 165                                | (1,250)                            | -                                  | -                                  | 147                                       | (1,171)                            |
| Other  | 110                                | (1,045)                            | (154)                              | 193                                | 9   | (946)                              |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 196,517                            | (41,010)                           | (17,654)                           | (52,669)                           | (125,537)                                 | 406,420                            |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>1,279,294</b>                   | <b>657,348</b>                     | <b>176,169</b>                     | <b>62,595</b>                      | <b>712,127</b>                            | <b>130,687</b>                     |
| <b>NET ASSETS</b>  |                                    |                                    |                                    |                                    |   |                                    |
| Beginning of Year  | 8,142,998                          | 7,485,650                          | 1,574,164                          | 1,511,569                          | 4,394,780                                 | 4,264,093                          |
| End of Year  | \$9,422,292                        | \$8,142,998                        | \$1,750,333                        | \$1,574,164                        | \$5,106,907                               | \$4,394,780                        |

(1) Operations commenced or resumed during 2021 (See Financial Highlights for commencement date of operations).

**SEPARATE ACCOUNT A**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

|  | Variable Accounts              |                      |                                       |                      |  |                      |
|--|--------------------------------|----------------------|---------------------------------------|----------------------|--|----------------------|
|  | Year/Period Ended              | Year Ended           | Year/Period Ended                     | Year Ended           | Year Ended                             | Year Ended           |
|  | December 31,<br>2021           | December 31,<br>2020 | December 31,<br>2021                  | December 31,<br>2020 | December 31,<br>2021                   | December 31,<br>2020 |
|  | Health Sciences<br>Class I     |                      | Real Estate<br>Class I                |                      | Technology<br>Class I                  |                      |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                |                      |                                       |                      |  |                      |
| <b>FROM OPERATIONS</b>   |                                |                      |                                       |                      |  |                      |
| Net investment income (loss)   | (\$396,430)                    | (\$336,457)          | (\$99,489)                            | (\$85,146)           | (\$247,056)                            | (\$190,320)          |
| Realized gain (loss) on investments  | 27,467                         | 317,136              | 266,528                               | 67,830               | 417,730                                | 43,852               |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 3,420,433                      | 4,062,874            | 2,236,234                             | (294,903)            | 1,977,330                              | 5,653,660            |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 3,051,470                      | 4,043,553            | 2,403,273                             | (312,219)            | 2,148,004                              | 5,507,192            |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                |                      |                                       |                      |  |                      |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |                                |                      |                                       |                      |  |                      |
| Payments received from contract owners   | 2,031,222                      | 1,504,043            | 488,757                               | 141,648              | 2,647,584                              | 1,591,999            |
| Transfers between variable and fixed accounts, net                                   | 1,522,325                      | 449,573              | 186,574                               | (142,489)            | (1,666,335)                            | 193,008              |
| Contract benefits and terminations   | (2,927,817)                    | (2,429,910)          | (1,163,142)                           | (644,202)            | (1,525,399)                            | (1,018,258)          |
| Contract charges and deductions  | (13,082)                       | (12,578)             | (7,426)                               | (7,316)              | (8,087)                                | (8,569)              |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | (13)                           | -                    | 39                                    | (398)                | 44                                     | (268)                |
| Other  | (652)                          | 4,296                | (1,390)                               | 685                  | (381)                                  | 489                  |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 611,983                        | (484,576)            | (496,588)                             | (652,072)            | (552,574)                              | 758,401              |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>3,663,453</b>               | <b>3,558,977</b>     | <b>1,906,685</b>                      | <b>(964,291)</b>     | <b>1,595,430</b>                       | <b>6,265,593</b>     |
| <b>NET ASSETS</b>  |                                |                      |                                       |                      |  |                      |
| Beginning of Year  | 27,848,080                     | 24,289,103           | 6,476,309                             | 7,440,600            | 18,556,587                             | 12,290,994           |
| End of Year  | \$31,511,533                   | \$27,848,080         | \$8,382,994                           | \$6,476,309          | \$20,152,017                           | \$18,556,587         |
|  | ESG Diversified<br>Class I (1) |                      | ESG Diversified Growth<br>Class I (1) |                      | PSF DFA<br>Balanced Allocation Class D |                      |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                |                      |                                       |                      |  |                      |
| <b>FROM OPERATIONS</b>   |                                |                      |                                       |                      |  |                      |
| Net investment income (loss)   | (\$5,598)                      |                      | (\$3)                                 |                      | (\$157,291)                            | (\$123,586)          |
| Realized gain (loss) on investments  | (37)                           |                      | -                                     |                      | (1,376)                                | 19,512               |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 42,179                         |                      | 276                                   |                      | 1,489,813                              | 1,097,586            |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 36,544                         |                      | 273                                   |                      | 1,331,146                              | 993,512              |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                |                      |                                       |                      |  |                      |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |                                |                      |                                       |                      |  |                      |
| Payments received from contract owners   | 1,336,522                      |                      | 7,500                                 |                      | 2,638,005                              | 2,492,539            |
| Transfers between variable and fixed accounts, net                                   | 6,257                          |                      | -                                     |                      | 566,757                                | (1,220,617)          |
| Contract benefits and terminations   | (175)                          |                      | -                                     |                      | (576,865)                              | (937,312)            |
| Contract charges and deductions  | (3,973)                        |                      | -                                     |                      | (88,978)                               | (61,403)             |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -                              |                      | -                                     |                      | -                                      | -                    |
| Other  | (157)                          |                      | -                                     |                      | 214                                    | 5,835                |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 1,338,474                      |                      | 7,500                                 |                      | 2,539,133                              | 279,042              |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>1,375,018</b>               |                      | <b>7,773</b>                          |                      | <b>3,870,279</b>                       | <b>1,272,554</b>     |
| <b>NET ASSETS</b>  |                                |                      |                                       |                      |  |                      |
| Beginning of Year or Period  | -                              |                      | -                                     |                      | 10,963,998                             | 9,691,444            |
| End of Year or Period  | \$1,375,018                    |                      | \$7,773                               |                      | \$14,834,277                           | \$10,963,998         |

(1) Operations commenced or resumed during 2021 (See Financial Highlights for commencement date of operations).

**SEPARATE ACCOUNT A**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

|  | Variable Accounts                                |                                    |   |                                    |  |                                    |
|--|--|------------------------------------|---|------------------------------------|--|------------------------------------|
|  | Year Ended<br>December 31,<br>2021               | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021                      | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021         | Year Ended<br>December 31,<br>2020 |
|  | Pacific Dynamix -<br>Conservative Growth Class I |                                    | Pacific Dynamix -<br>Moderate Growth Class I            |                                    | Pacific Dynamix -<br>Growth Class I        |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |   |                                    |  |                                    |
| <b>FROM OPERATIONS</b>   |  |                                    |   |                                    |  |                                    |
| Net investment income (loss)   | (\$643,501)                                      | (\$582,030)                        | (\$2,094,041)   | (\$1,786,372)                      | (\$1,023,660)                              | (\$561,528)                        |
| Realized gain (loss) on investments  | 864,990  | 595,515                            | 1,557,141   | 1,496,854                          | 7,998                                      | (269,769)                          |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 2,301,455  | 5,091,334                          | 14,735,054  | 17,984,036                         | 10,105,379                                 | 9,124,920                          |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 2,522,944  | 5,104,819                          | 14,198,154  | 17,694,518                         | 9,089,717                                  | 8,293,623                          |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |   |                                    |  |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |  |                                    |   |                                    |  |                                    |
| Payments received from contract owners   | 2,465,207  | 4,249,249                          | 12,260,270  | 8,801,245                          | 35,692,491                                 | 22,004,580                         |
| Transfers between variable and fixed accounts, net                                   | 553,971  | 196,551                            | 3,847,075   | (215,731)                          | 6,362,650                                  | 479,182                            |
| Contract benefits and terminations   | (5,724,607)                                      | (4,717,959)                        | (15,073,046)  | (13,222,617)                       | (4,581,617)                                | (2,208,590)                        |
| Contract charges and deductions  | (213,194)  | (201,421)                          | (909,451)   | (839,930)                          | (441,063)                                  | (184,091)                          |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -  | -                                  | -   | -                                  | (9,535)                                    | -                                  |
| Other  | (808)  | (343)                              | 1,523   | (1,633)                            | (5,545)                                    | (4,617)                            |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | (2,919,431)                                      | (473,923)                          | 126,371   | (5,478,666)                        | 37,017,381                                 | 20,086,464                         |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>(396,487)</b>                                 | <b>4,630,896</b>                   | <b>14,324,525</b>                                       | <b>12,215,852</b>                  | <b>46,107,098</b>                          | <b>28,380,087</b>                  |
| <b>NET ASSETS</b>  |  |                                    |   |                                    |  |                                    |
| Beginning of Year  | 50,933,627                                       | 46,302,731                         | 155,502,777   | 143,286,925                        | 61,915,942                                 | 33,535,855                         |
| End of Year  | \$50,537,140                                     | \$50,933,627                       | \$169,827,302   | \$155,502,777                      | \$108,023,040                              | \$61,915,942                       |
|  | Portfolio Optimization<br>Conservative Class I   |                                    | Portfolio Optimization<br>Moderate-Conservative Class I |                                    | Portfolio Optimization<br>Moderate Class I |                                    |
|  | Year Ended<br>December 31,<br>2021               | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021                      | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021         | Year Ended<br>December 31,<br>2020 |
|  | Portfolio Optimization<br>Conservative Class I   |                                    | Portfolio Optimization<br>Moderate-Conservative Class I |                                    | Portfolio Optimization<br>Moderate Class I |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |   |                                    |  |                                    |
| <b>FROM OPERATIONS</b>   |  |                                    |   |                                    |  |                                    |
| Net investment income (loss)   | (\$1,275,584)                                    | (\$1,227,691)                      | (\$2,071,389)   | (\$2,074,888)                      | (\$7,831,846)                              | (\$7,286,053)                      |
| Realized gain (loss) on investments  | 124,420  | (462,266)                          | 7,125,217   | 6,366,641                          | 24,046,969                                 | 21,635,832                         |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 1,736,474  | 6,829,575                          | 1,199,652   | 6,224,552                          | 20,612,468                                 | 31,202,581                         |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 585,310  | 5,139,618                          | 6,253,480   | 10,516,305                         | 36,827,591                                 | 45,552,360                         |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |   |                                    |  |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |  |                                    |   |                                    |  |                                    |
| Payments received from contract owners   | 5,310,284  | 1,585,162                          | 2,953,423   | 2,596,779                          | 8,315,083                                  | 7,449,112                          |
| Transfers between variable and fixed accounts, net                                   | 4,089,061  | 13,217,957                         | (2,128,950)   | (1,140,720)                        | 5,253,551                                  | (4,239,822)                        |
| Contract benefits and terminations   | (10,580,982)                                     | (11,317,916)                       | (14,312,221)  | (16,891,579)                       | (49,537,692)                               | (44,686,959)                       |
| Contract charges and deductions  | (534,466)  | (531,433)                          | (750,186)   | (800,134)                          | (3,317,750)                                | (3,416,494)                        |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | 2,331  | (6,323)                            | (6,562)   | (10,869)                           | (8,739)                                    | (41,837)                           |
| Other  | (1,084)  | (2,014)                            | 4,874   | 9,420                              | 6,587                                      | 2,204                              |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | (1,714,856)                                      | 2,945,433                          | (14,239,622)  | (16,237,103)                       | (39,288,960)                               | (44,933,796)                       |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>(1,129,546)</b>                               | <b>8,085,051</b>                   | <b>(7,986,142)</b>                                      | <b>(5,720,798)</b>                 | <b>(2,461,369)</b>                         | <b>618,564</b>                     |
| <b>NET ASSETS</b>  |  |                                    |   |                                    |  |                                    |
| Beginning of Year  | 89,158,669                                       | 81,073,618                         | 139,732,839   | 145,453,637                        | 500,836,115                                | 500,217,551                        |
| End of Year  | \$88,029,123                                     | \$89,158,669                       | \$131,746,697   | \$139,732,839                      | \$498,374,746                              | \$500,836,115                      |

**SEPARATE ACCOUNT A**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

|  | Variable Accounts                                  |                                    |   |                                    |  |                                    |
|--|--|------------------------------------|---|------------------------------------|--|------------------------------------|
|  | Year Ended<br>December 31,<br>2021                 | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021                  | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021                         | Year Ended<br>December 31,<br>2020 |
|  | Portfolio Optimization<br>Growth Class I           |                                    | Portfolio Optimization<br>Aggressive-Growth Class I |                                    | Invesco Oppenheimer V.I.<br>International Growth Series II |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |   |                                    |  |                                    |
| <b>FROM OPERATIONS</b>   |  |                                    |   |                                    |  |                                    |
| Net investment income (loss)   | (\$6,446,609)                                      | (\$5,808,337)                      | (\$1,622,054)                                       | (\$1,435,783)                      | (\$14,745)   | (\$3,179)                          |
| Realized gain (loss) on investments  | 22,080,770   | 18,338,140                         | 5,780,527   | 5,418,605                          | 113,804  | (1,730)                            |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 27,412,124   | 25,785,930                         | 8,458,976   | 4,696,072                          | 2,921  | 128,268                            |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 43,046,285   | 38,315,733                         | 12,617,449  | 8,678,894                          | 101,980  | 123,359                            |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |   |                                    |  |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |  |                                    |   |                                    |  |                                    |
| Payments received from contract owners   | 6,913,478  | 5,817,018                          | 798,222   | 1,069,761                          | 239,856  | 6,440                              |
| Transfers between variable and fixed accounts, net                                   | (1,509,520)  | (3,581,019)                        | (1,056,781)   | (2,720,946)                        | 296,173  | 31,348                             |
| Contract benefits and terminations   | (35,918,706)                                       | (33,511,684)                       | (7,382,596)   | (7,739,817)                        | (155,998)  | (18,553)                           |
| Contract charges and deductions  | (2,576,843)  | (2,614,734)                        | (633,508)   | (601,492)                          | (19)   | (23)                               |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | 1,172  | (3,352)                            | -   | -                                  | -  | -                                  |
| Other  | 3,341  | (10,590)                           | 434   | (9,258)                            | (16)   | (7)                                |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | (33,087,078)                                       | (33,904,361)                       | (8,274,229)   | (10,001,752)                       | 379,996  | 19,205                             |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>9,959,207</b>                                   | <b>4,411,372</b>                   | <b>4,343,220</b>                                    | <b>(1,322,858)</b>                 | <b>481,976</b>   | <b>142,564</b>                     |
| <b>NET ASSETS</b>  |  |                                    |   |                                    |  |                                    |
| Beginning of Year  | 393,203,447  | 388,792,075                        | 94,685,992  | 96,008,850                         | 762,137  | 619,573                            |
| End of Year  | \$403,162,654                                      | \$393,203,447                      | \$99,029,212  | \$94,685,992                       | \$1,244,113  | \$762,137                          |
|  | Invesco V.I. Balanced-Risk<br>Allocation Series II |                                    | Invesco V.I. Equity and<br>Income Series II         |                                    | Invesco V.I. Global<br>Real Estate Series II               |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |   |                                    |  |                                    |
| <b>FROM OPERATIONS</b>   |  |                                    |   |                                    |  |                                    |
| Net investment income (loss)   | \$346,369  | \$1,212,119                        | \$10,148  | \$13,805                           | \$37,295   | \$55,316                           |
| Realized gain (loss) on investments  | 585,071  | 592,893                            | 27,842  | 34,413                             | (8,981)  | (4,643)                            |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 599,567  | (268,030)                          | 257,865   | 64,321                             | 427,723  | (319,284)                          |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 1,531,007  | 1,536,982                          | 295,855   | 112,539                            | 456,037  | (268,611)                          |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |   |                                    |  |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |  |                                    |   |                                    |  |                                    |
| Payments received from contract owners   | 1,614,076  | 1,007,845                          | 63,654  | 51,803                             | 94,234   | 5,470                              |
| Transfers between variable and fixed accounts, net                                   | 53,173   | 405,404                            | 428,092   | (90,163)                           | 478,693  | (429,813)                          |
| Contract benefits and terminations   | (1,996,191)  | (1,960,325)                        | (142,146)   | (71,424)                           | (74,907)   | (39,495)                           |
| Contract charges and deductions  | (170,294)  | (161,783)                          | (1,633)   | (1,581)                            | (61)   | (57)                               |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -  | -                                  | -   | -                                  | -  | -                                  |
| Other  | (1,051)  | (90)                               | (40)  | (9)                                | (220)  | 46                                 |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | (500,287)  | (708,949)                          | 347,927   | (111,374)                          | 497,739  | (463,849)                          |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>1,030,720</b>                                   | <b>828,033</b>                     | <b>643,782</b>                                      | <b>1,165</b>                       | <b>953,776</b>   | <b>(732,460)</b>                   |
| <b>NET ASSETS</b>  |  |                                    |   |                                    |  |                                    |
| Beginning of Year  | 19,933,034   | 19,105,001                         | 1,508,592   | 1,507,427                          | 1,499,520  | 2,231,980                          |
| End of Year  | \$20,963,754                                       | \$19,933,034                       | \$2,152,374   | \$1,508,592                        | \$2,453,296  | \$1,499,520                        |

**SEPARATE ACCOUNT A**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

|  | Variable Accounts   |                                    |   |                                    |  |                                    |
|--|---|------------------------------------|---|------------------------------------|--|------------------------------------|
|  | Year Ended<br>December 31,<br>2021                          | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021                      | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021                                   | Year Ended<br>December 31,<br>2020 |
|  | Invesco V.I.<br>Global Series II                            |                                    | American Century<br>VP Mid Cap Value Class II           |                                    | American Funds IS Asset<br>Allocation Class 4                        |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |                                    |   |                                    |  |                                    |
| <b>FROM OPERATIONS</b>   |   |                                    |   |                                    |  |                                    |
| Net investment income (loss)   | (\$25,404)  | (\$14,306)                         | (\$12,238)  | \$12,755                           | (\$76,108)   | \$158,451                          |
| Realized gain (loss) on investments  | 126,926   | 47,417                             | 26,786  | (108,222)                          | 9,181,171  | 1,181,037                          |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 129,336   | 322,682                            | 870,903   | (45,676)                           | 21,729,002   | 20,973,894                         |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 230,858   | 355,793                            | 885,451   | (141,143)                          | 30,834,065   | 22,313,382                         |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |                                    |   |                                    |  |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |   |                                    |   |                                    |  |                                    |
| Payments received from contract owners   | 290,125   | 18,856                             | 421,213   | 295,396                            | 14,941,530   | 12,725,822                         |
| Transfers between variable and fixed accounts, net                                   | (50,092)  | (87,277)                           | 67,323  | (465,242)                          | 696,996  | (2,276,825)                        |
| Contract benefits and terminations   | (108,083)   | (234,603)                          | (491,594)   | (354,739)                          | (21,258,480)   | (19,359,646)                       |
| Contract charges and deductions  | (62)  | (90)                               | (508)   | (616)                              | (1,652,548)  | (1,563,613)                        |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -   | -                                  | (7)   | -                                  | 544  | (4,369)                            |
| Other  | (23)  | (11)                               | (110)   | (100)                              | (1,712)  | 12,629                             |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 131,865   | (303,125)                          | (3,683)   | (525,301)                          | (7,273,670)  | (10,466,002)                       |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>362,723</b>  | <b>52,668</b>                      | <b>881,768</b>  | <b>(666,444)</b>                   | <b>23,560,395</b>  | <b>11,847,380</b>                  |
| <b>NET ASSETS</b>  |   |                                    |   |                                    |  |                                    |
| Beginning of Year  | 1,776,751   | 1,724,083                          | 4,147,308   | 4,813,752                          | 235,641,719  | 223,794,339                        |
| End of Year  | \$2,139,474   | \$1,776,751                        | \$5,029,076   | \$4,147,308                        | \$259,202,114  | \$235,641,719                      |
|  | <b>American Funds IS Capital<br/>Income Builder Class 4</b> |                                    | <b>American Funds IS<br/>Capital World Bond Class 4</b> |                                    | <b>American Funds IS Capital World<br/>Growth and Income Class 4</b> |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |                                    |   |                                    |  |                                    |
| <b>FROM OPERATIONS</b>   |   |                                    |   |                                    |  |                                    |
| Net investment income (loss)   | \$54,011  | \$48,473                           | \$6,266   | (\$2,021)                          | \$9,324  | (\$3,047)                          |
| Realized gain (loss) on investments  | 3,290   | (152,067)                          | 24,967  | 1,960                              | 51,133   | 29,592                             |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 442,786   | 21,757                             | (111,164)   | 65,831                             | 232,170  | 118,275                            |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 500,087   | (81,837)                           | (79,931)  | 65,770                             | 292,627  | 144,820                            |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |                                    |   |                                    |  |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |   |                                    |   |                                    |  |                                    |
| Payments received from contract owners   | 815,128   | 267,991                            | 124,615   | 57,121                             | 561,907  | 155,660                            |
| Transfers between variable and fixed accounts, net                                   | 73,774  | 68,784                             | 204,729   | (134,637)                          | 123,388  | 462                                |
| Contract benefits and terminations   | (424,339)   | (955,102)                          | (99,152)  | (145,793)                          | (266,328)  | (91,819)                           |
| Contract charges and deductions  | (2,144)   | (2,397)                            | (754)   | (850)                              | (606)  | (625)                              |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -   | -                                  | -   | -                                  | -  | -                                  |
| Other  | (55)  | 19                                 | (29)  | 39                                 | (64)   | 2                                  |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 462,364   | (620,705)                          | 229,409   | (224,120)                          | 418,297  | 63,680                             |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>962,451</b>  | <b>(702,542)</b>                   | <b>149,478</b>  | <b>(158,350)</b>                   | <b>710,924</b>   | <b>208,500</b>                     |
| <b>NET ASSETS</b>  |   |                                    |   |                                    |  |                                    |
| Beginning of Year  | 3,506,050   | 4,208,592                          | 1,194,904   | 1,353,254                          | 2,175,133  | 1,966,633                          |
| End of Year  | \$4,468,501   | \$3,506,050                        | \$1,344,382   | \$1,194,904                        | \$2,886,057  | \$2,175,133                        |

**SEPARATE ACCOUNT A**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

|  | Variable Accounts                            |                                    |  |                                    |  |                                    |
|--|--|------------------------------------|--|------------------------------------|--|------------------------------------|
|  | Year Ended<br>December 31,<br>2021           | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021         | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021                       | Year Ended<br>December 31,<br>2020 |
|  | American Funds IS<br>Global Balanced Class 4 |                                    | American Funds IS<br>Global Growth Class 4 |                                    | American Funds IS Global<br>Small Capitalization Class 4 |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |  |                                    |  |                                    |
| <b>FROM OPERATIONS</b>   |  |                                    |  |                                    |  |                                    |
| Net investment income (loss)   | (\$10,327)                                   | (\$3,879)                          | (\$61,936)                                 | (\$53,208)                         | (\$29,094)   | (\$15,602)                         |
| Realized gain (loss) on investments  | 241,366                                      | 86,099                             | 505,089                                    | 133,373                            | 53,197   | 64,164                             |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 129,559                                      | 160,951                            | 301,812                                    | 1,216,472                          | 33,720   | 301,924                            |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 360,598                                      | 243,171                            | 744,965                                    | 1,296,637                          | 57,823   | 350,486                            |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |  |                                    |  |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |  |                                    |  |                                    |  |                                    |
| Payments received from contract owners   | 251,358                                      | 1,100,680                          | 648,582                                    | 372,001                            | 351,124  | 16,970                             |
| Transfers between variable and fixed accounts, net                                   | (817,753)                                    | (103,827)                          | (612,074)                                  | 408,770                            | 555,329  | (57,708)                           |
| Contract benefits and terminations   | (174,196)                                    | (287,070)                          | (491,702)                                  | (242,006)                          | (83,356)   | (5,593)                            |
| Contract charges and deductions  | (1,928)                                      | (1,823)                            | (1,042)                                    | (1,163)                            | (654)  | (546)                              |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -  | -                                  | -  | -                                  | -  | -                                  |
| Other  | (27)   | 8                                  | 192  | (18)                               | (32)   | (12)                               |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | (742,546)                                    | 707,968                            | (456,044)                                  | 537,584                            | 822,411  | (46,889)                           |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>(381,948)</b>                             | <b>951,139</b>                     | <b>288,921</b>                             | <b>1,834,221</b>                   | <b>880,234</b>   | <b>303,597</b>                     |
| <b>NET ASSETS</b>  |  |                                    |  |                                    |  |                                    |
| Beginning of Year  | 4,366,912                                    | 3,415,773                          | 5,650,892                                  | 3,816,671                          | 1,679,372  | 1,375,775                          |
| End of Year  | \$3,984,964                                  | \$4,366,912                        | \$5,939,813                                | \$5,650,892                        | \$2,559,606  | \$1,679,372                        |
|  | American Funds IS<br>Growth Class 4          |                                    | American Funds IS<br>Growth-Income Class 4 |                                    | American Funds IS American<br>High-Income Trust Class 4  |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |  |                                    |  |                                    |
| <b>FROM OPERATIONS</b>   |  |                                    |  |                                    |  |                                    |
| Net investment income (loss)   | (\$412,310)                                  | (\$255,139)                        | (\$68,101)                                 | (\$26,785)                         | \$88,867   | \$124,067                          |
| Realized gain (loss) on investments  | 4,576,239                                    | 594,902                            | 371,710                                    | 307,725                            | (8,252)  | (13,505)                           |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 1,219,710                                    | 9,234,861                          | 3,008,345                                  | 1,276,463                          | 79,531   | 11,019                             |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 5,383,639                                    | 9,574,624                          | 3,311,954                                  | 1,557,403                          | 160,146  | 121,581                            |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |  |                                    |  |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |  |                                    |  |                                    |  |                                    |
| Payments received from contract owners   | 3,679,555                                    | 2,093,802                          | 1,782,907                                  | 637,610                            | 534,784  | 86,045                             |
| Transfers between variable and fixed accounts, net                                   | 2,358,481                                    | 3,567,819                          | (696,143)                                  | (531,142)                          | 1,260,908  | 388,049                            |
| Contract benefits and terminations   | (3,345,374)                                  | (2,667,492)                        | (2,000,411)                                | (1,071,734)                        | (294,120)  | (83,108)                           |
| Contract charges and deductions  | (15,826)                                     | (14,890)                           | (10,186)                                   | (9,399)                            | (592)  | (529)                              |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -  | -                                  | 177  | (1,270)                            | -  | -                                  |
| Other  | 20,149                                       | 3,784                              | 16,850                                     | (329)                              | (81)   | 42                                 |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 2,696,985                                    | 2,983,023                          | (906,806)                                  | (976,264)                          | 1,500,899  | 390,499                            |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>8,080,624</b>                             | <b>12,557,647</b>                  | <b>2,405,148</b>                           | <b>581,139</b>                     | <b>1,661,045</b>   | <b>512,080</b>                     |
| <b>NET ASSETS</b>  |  |                                    |  |                                    |  |                                    |
| Beginning of Year  | 29,196,407                                   | 16,638,760                         | 15,472,123                                 | 14,890,984                         | 2,063,813  | 1,551,733                          |
| End of Year  | \$37,277,031                                 | \$29,196,407                       | \$17,877,271                               | \$15,472,123                       | \$3,724,858  | \$2,063,813                        |

**SEPARATE ACCOUNT A**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

|  | Variable Accounts                           |                                    |  |                                    |   |                                    |
|--|---|------------------------------------|--|------------------------------------|---|------------------------------------|
|  | Year Ended<br>December 31,<br>2021          | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021                           | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021                          | Year Ended<br>December 31,<br>2020 |
|  | American Funds IS<br>International Class 4  |                                    | American Funds IS International<br>Growth and Income Class 4 |                                    | American Funds IS Managed Risk<br>Asset Allocation Class P2 |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |                                    |  |                                    |   |                                    |
| <b>FROM OPERATIONS</b>   |   |                                    |  |                                    |   |                                    |
| Net investment income (loss)   | \$42,383                                    | (\$20,485)                         | \$30,179   | (\$457)                            | \$4,728   | \$33,408                           |
| Realized gain (loss) on investments  | (24,056)                                    | (33,583)                           | 14,884   | (128,072)                          | 52,040  | 521,680                            |
| Change in net unrealized appreciation<br>(depreciation) on investments               | (143,988)                                   | 449,254                            | 33,901   | 139,972                            | 1,662,402   | 156,291                            |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | (125,661)                                   | 395,186                            | 78,964   | 11,443                             | 1,719,170   | 711,379                            |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |                                    |  |                                    |   |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |   |                                    |  |                                    |   |                                    |
| Payments received from contract owners   | 304,421                                     | 111,630                            | 72,753   | 92,617                             | 1,457,344   | 809,992                            |
| Transfers between variable and fixed accounts, net                                   | 400,269                                     | (208,928)                          | 79,492   | (125,653)                          | 814,759   | 911,592                            |
| Contract benefits and terminations   | (497,910)                                   | (210,369)                          | (239,202)  | (169,027)                          | (1,887,507)   | (965,449)                          |
| Contract charges and deductions  | (1,537)                                     | (1,726)                            | (322)  | (351)                              | (105,842)   | (94,024)                           |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -   | -                                  | -  | -                                  | -   | -                                  |
| Other  | 8,776                                       | 106                                | (600)  | 394                                | 490   | 641                                |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 214,019                                     | (309,287)                          | (87,879)   | (202,020)                          | 279,244   | 662,752                            |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>88,358</b>                               | <b>85,899</b>                      | <b>(8,915)</b>   | <b>(190,577)</b>                   | <b>1,998,414</b>  | <b>1,374,131</b>                   |
| <b>NET ASSETS</b>  |   |                                    |  |                                    |   |                                    |
| Beginning of Year  | 3,526,811                                   | 3,440,912                          | 2,104,420  | 2,294,997                          | 15,735,754  | 14,361,623                         |
| End of Year  | \$3,615,169                                 | \$3,526,811                        | \$2,095,505  | \$2,104,420                        | \$17,734,168  | \$15,735,754                       |
|  | American Funds IS<br>New World Fund Class 4 |                                    | American Funds IS The Bond<br>Fund of America Class 4        |                                    | American Funds IS U.S. Government<br>Securities Class 4     |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |                                    |  |                                    |   |                                    |
| <b>FROM OPERATIONS</b>   |   |                                    |  |                                    |   |                                    |
| Net investment income (loss)   | (\$20,857)                                  | (\$31,153)                         | \$4,702  | \$49,428                           | (\$17,541)  | \$28,209                           |
| Realized gain (loss) on investments  | 113,949                                     | (5,003)                            | 183,310  | 38,854                             | 249,143   | 108,794                            |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 3,726                                       | 524,014                            | (302,291)  | 245,464                            | (363,419)   | 76,808                             |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 96,818                                      | 487,858                            | (114,279)  | 333,746                            | (131,817)   | 213,811                            |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |                                    |  |                                    |   |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |   |                                    |  |                                    |   |                                    |
| Payments received from contract owners   | 387,061                                     | 277,949                            | 354,220  | 1,001,858                          | 146,086   | 575,221                            |
| Transfers between variable and fixed accounts, net                                   | 733,208                                     | (382,395)                          | 479,545  | 2,001,603                          | (1,476,661)   | 5,131,730                          |
| Contract benefits and terminations   | (455,222)                                   | (193,320)                          | (983,333)  | (747,335)                          | (681,361)   | (1,570,393)                        |
| Contract charges and deductions  | (961)                                       | (922)                              | (2,622)  | (2,840)                            | (413)   | (890)                              |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -   | -                                  | -  | -                                  | -   | -                                  |
| Other  | (216)                                       | (1)                                | 43   | 927                                | 86  | (52)                               |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 663,870                                     | (298,689)                          | (152,147)  | 2,254,213                          | (2,012,263)   | 4,135,616                          |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>760,688</b>                              | <b>189,169</b>                     | <b>(266,426)</b>   | <b>2,587,959</b>                   | <b>(2,144,080)</b>  | <b>4,349,427</b>                   |
| <b>NET ASSETS</b>  |   |                                    |  |                                    |   |                                    |
| Beginning of Year  | 3,110,839                                   | 2,921,670                          | 5,996,507  | 3,408,548                          | 6,076,201   | 1,726,774                          |
| End of Year  | \$3,871,527                                 | \$3,110,839                        | \$5,730,081  | \$5,996,507                        | \$3,932,121   | \$6,076,201                        |



**SEPARATE ACCOUNT A**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

|  | Variable Accounts  |                                    |   |                                    |  |                                    |
|--|--|------------------------------------|---|------------------------------------|--|------------------------------------|
|  | Year Ended<br>December 31,<br>2021                       | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021                    | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021                       | Year Ended<br>December 31,<br>2020 |
|  | American Funds IS Washington<br>Mutual Investors Class 4 |                                    | BlackRock 60/40 Target<br>Allocation ETF V.I. Class I |                                    | BlackRock Capital Appreciation<br>V.I. Class III         |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |   |                                    |  |                                    |
| <b>FROM OPERATIONS</b>   |  |                                    |   |                                    |  |                                    |
| Net investment income (loss)   | \$11,110   | \$24,323                           | \$112,019   | \$61,565                           | (\$4,819)  | (\$4,125)                          |
| Realized gain (loss) on investments  | 3,928  | 24,268                             | 991,249   | (6,099)                            | 124,224  | 57,579                             |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 2,011,197  | 470,818                            | 119,301   | 900,548                            | (12,769)   | 133,157                            |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 2,026,235  | 519,409                            | 1,222,569   | 956,014                            | 106,636  | 186,611                            |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |   |                                    |  |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |  |                                    |   |                                    |  |                                    |
| Payments received from contract owners   | 1,044,273  | 768,365                            | 3,008,421   | 3,438,307                          | 77,731   | 24,098                             |
| Transfers between variable and fixed accounts, net                                   | 1,906,625  | 169,254                            | 1,281,112   | 237,697                            | (42,241)   | (113,243)                          |
| Contract benefits and terminations   | (876,600)  | (212,689)                          | (553,557)   | (258,430)                          | (132,615)  | (69,480)                           |
| Contract charges and deductions  | (1,576)  | (1,447)                            | (269)   | (142)                              | (4,118)  | (4,053)                            |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -  | -                                  | -   | -                                  | -  | -                                  |
| Other  | (1,228)  | (160)                              | (170)   | 3,190                              | (617)  | (2)                                |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 2,071,494  | 723,323                            | 3,735,537   | 3,420,622                          | (101,860)  | (162,680)                          |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>4,097,729</b>   | <b>1,242,732</b>                   | <b>4,958,106</b>                                      | <b>4,376,636</b>                   | <b>4,776</b>   | <b>23,931</b>                      |
| <b>NET ASSETS</b>  |  |                                    |   |                                    |  |                                    |
| Beginning of Year  | 6,892,892  | 5,650,160                          | 9,486,052   | 5,109,416                          | 517,797  | 493,866                            |
| End of Year  | \$10,990,621   | \$6,892,892                        | \$14,444,158  | \$9,486,052                        | \$522,573  | \$517,797                          |
|  | <b>BlackRock Global Allocation<br/>V.I. Class III</b>    |                                    | <b>Fidelity VIP Contrafund<br/>Service Class 2</b>    |                                    | <b>Fidelity VIP FundsManager<br/>60% Service Class 2</b> |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |   |                                    |  |                                    |
| <b>FROM OPERATIONS</b>   |  |                                    |   |                                    |  |                                    |
| Net investment income (loss)   | (\$620,329)  | (\$56,165)                         | (\$481,338)   | (\$343,509)                        | (\$124,046)  | (\$113,802)                        |
| Realized gain (loss) on investments  | 20,485,467   | 7,300,667                          | 5,009,843   | 191,916                            | 619,945  | (8,115)                            |
| Change in net unrealized appreciation<br>(depreciation) on investments               | (13,713,185)   | 12,937,222                         | 4,310,965   | 7,519,821                          | 3,484,047  | 4,216,407                          |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 6,151,953  | 20,181,724                         | 8,839,470   | 7,368,228                          | 3,979,946  | 4,094,490                          |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |   |                                    |  |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |  |                                    |   |                                    |  |                                    |
| Payments received from contract owners   | 7,015,965  | 3,659,001                          | 5,351,406   | 2,794,192                          | 5,508,202  | 2,848,380                          |
| Transfers between variable and fixed accounts, net                                   | 195,069  | (1,305,895)                        | 1,272,688   | (221,918)                          | 1,789,462  | 1,047,045                          |
| Contract benefits and terminations   | (15,511,254)   | (13,768,850)                       | (4,739,536)   | (1,928,868)                        | (3,392,810)  | (4,302,770)                        |
| Contract charges and deductions  | (934,556)  | (925,336)                          | (4,728)   | (4,620)                            | (321,957)  | (249,592)                          |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | (10,125)   | (2,640)                            | (9)   | -                                  | -  | -                                  |
| Other  | 4,337  | 2,975                              | (3,043)   | (799)                              | (98)   | (1,177)                            |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | (9,240,564)  | (12,340,745)                       | 1,876,778   | 637,987                            | 3,582,799  | (658,114)                          |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>(3,088,611)</b>                                       | <b>7,840,979</b>                   | <b>10,716,248</b>                                     | <b>8,006,215</b>                   | <b>7,562,745</b>   | <b>3,436,376</b>                   |
| <b>NET ASSETS</b>  |  |                                    |   |                                    |  |                                    |
| Beginning of Year  | 123,571,677  | 115,730,698                        | 33,320,279  | 25,314,064                         | 35,291,993   | 31,855,617                         |
| End of Year  | \$120,483,066  | \$123,571,677                      | \$44,036,527  | \$33,320,279                       | \$42,854,738   | \$35,291,993                       |

**SEPARATE ACCOUNT A**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

|  | Variable Accounts                                     |                                      |  |                                      |  |                                      |
|--|---|--------------------------------------|--|--------------------------------------|--|--------------------------------------|
|  | Year Ended<br>December 31,<br>2021                    | Year Ended<br>December 31,<br>2020   | Year Ended<br>December 31,<br>2021               | Year Ended<br>December 31,<br>2020   | Year Ended<br>December 31,<br>2021                 | Year Ended<br>December 31,<br>2020   |
|  | Fidelity VIP Government<br>Money Market Service Class |                                      | Fidelity VIP Strategic Income<br>Service Class 2 |                                      | First Trust Dorsey Wright<br>Tactical Core Class I |                                      |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |                                      |  |                                      |  |                                      |
| <b>FROM OPERATIONS</b>   |   |                                      |  |                                      |  |                                      |
| Net investment income (loss)   | (\$324,118)   | (\$360,151)                          | \$90,027   | \$101,786                            | (\$23,575)   | (\$15,099)                           |
| Realized gain (loss) on investments  | -   | -                                    | 114,792  | 12,093                               | 75,916   | 9,525                                |
| Change in net unrealized appreciation<br>(depreciation) on investments               | -   | -                                    | (56,884)   | 184,490                              | 227,032  | 134,901                              |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | (324,118)   | (360,151)                            | 147,935  | 298,369                              | 279,373  | 129,327                              |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |                                      |  |                                      |  |                                      |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |   |                                      |  |                                      |  |                                      |
| Payments received from contract owners   | 2,832,518   | 2,051,328                            | 713,151  | 523,461                              | 52,991   | 68,248                               |
| Transfers between variable and fixed accounts, net                                   | (7,249,581)   | 27,361,537                           | 1,718,409  | (292,064)                            | 523,129  | (952,392)                            |
| Contract benefits and terminations   | (9,502,699)   | (18,568,871)                         | (964,926)  | (725,025)                            | (84,036)   | (76,007)                             |
| Contract charges and deductions  | (10,038)  | (7,924)                              | (1,029)  | (1,204)                              | (51)   | (42)                                 |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | 548   | 421                                  | -  | -                                    | -  | -                                    |
| Other  | 841   | (236)                                | 320  | 86                                   | (43)   | 53                                   |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | (13,928,411)  | 10,836,255                           | 1,465,925  | (494,746)                            | 491,990  | (960,140)                            |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>(14,252,529)</b>                                   | <b>10,476,104</b>                    | <b>1,613,860</b>                                 | <b>(196,377)</b>                     | <b>771,363</b>                                     | <b>(830,813)</b>                     |
| <b>NET ASSETS</b>  |   |                                      |  |                                      |  |                                      |
| Beginning of Year  | 33,023,990  | 22,547,886                           | 6,115,170  | 6,311,547                            | 2,028,978  | 2,859,791                            |
| End of Year  | \$18,771,461  | \$33,023,990                         | \$7,729,030                                      | \$6,115,170                          | \$2,800,341  | \$2,028,978                          |
|  | First Trust   |                                      | First Trust/Dow Jones                            |                                      | Franklin   |                                      |
|  | Multi Income Allocation Class I                       | Dividend & Income Allocation Class I | Multi Income Allocation Class I                  | Dividend & Income Allocation Class I | Multi Income Allocation Class I                    | Dividend & Income Allocation Class I |
|  |   |                                      |  |                                      |  |                                      |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |                                      |  |                                      |  |                                      |
| <b>FROM OPERATIONS</b>   |   |                                      |  |                                      |  |                                      |
| Net investment income (loss)   | \$9,414   | \$5,323                              | (\$192,406)                                      | \$77,127                             | \$1,213  | \$612                                |
| Realized gain (loss) on investments  | 12,968  | 10,060                               | 438,462  | 1,123,262                            | (796)  | 32,750                               |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 68,598  | (21,911)                             | 5,201,218  | 1,544,853                            | 15,378   | (19,121)                             |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 90,980  | (6,528)                              | 5,447,274  | 2,745,242                            | 15,795   | 14,241                               |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |                                      |  |                                      |  |                                      |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |   |                                      |  |                                      |  |                                      |
| Payments received from contract owners   | 107,049   | 33,456                               | 4,082,667  | 2,586,979                            | 10,122   | 10,249                               |
| Transfers between variable and fixed accounts, net                                   | 194,319   | 30,375                               | 2,047,478  | (543,947)                            | 473  | (102)                                |
| Contract benefits and terminations   | (146,457)   | (256,723)                            | (4,617,905)                                      | (3,816,808)                          | (1,229)  | (3,145)                              |
| Contract charges and deductions  | (18)  | (30)                                 | (408,791)  | (352,857)                            | (876)  | (837)                                |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -   | -                                    | -  | -                                    | -  | -                                    |
| Other  | (18)  | 5                                    | 93   | 2,080                                | (2)  | -                                    |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 154,875   | (192,917)                            | 1,103,542  | (2,124,553)                          | 8,488  | 6,165                                |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>245,855</b>  | <b>(199,445)</b>                     | <b>6,550,816</b>                                 | <b>620,689</b>                       | <b>24,283</b>                                      | <b>20,406</b>                        |
| <b>NET ASSETS</b>  |   |                                      |  |                                      |  |                                      |
| Beginning of Year  | 771,686   | 971,131                              | 49,629,227                                       | 49,008,538                           | 149,542  | 129,136                              |
| End of Year  | \$1,017,541   | \$771,686                            | \$56,180,043                                     | \$49,629,227                         | \$173,825  | \$149,542                            |

**SEPARATE ACCOUNT A**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

|  | Variable Accounts                        |                                    |                                      |                                    |   |                                    |
|--|--|------------------------------------|--------------------------------------|------------------------------------|---|------------------------------------|
|  | Year Ended<br>December 31,<br>2021       | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021   | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021              | Year Ended<br>December 31,<br>2020 |
|  | Franklin<br>Allocation VIP Class 4       |                                    | Franklin Income<br>VIP Class 2       |                                    | Franklin Mutual Global<br>Discovery VIP Class 2 |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |                                      |                                    |   |                                    |
| <b>FROM OPERATIONS</b>   |  |                                    |                                      |                                    |   |                                    |
| Net investment income (loss)   | \$24,716                                 | (\$8,212)                          | \$366,780                            | \$432,835                          | \$72,824  | \$50,562                           |
| Realized gain (loss) on investments  | (240,176)                                | 2,537,763                          | 331                                  | (129,782)                          | (39,001)  | (308,685)                          |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 1,492,734                                | (1,380,853)                        | 1,135,036                            | (396,504)                          | 830,224   | (13,068)                           |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 1,277,274                                | 1,148,698                          | 1,502,147                            | (93,451)                           | 864,047   | (271,191)                          |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |                                      |                                    |   |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |  |                                    |                                      |                                    |   |                                    |
| Payments received from contract owners   | 1,069,227                                | 1,888,284                          | 258,976                              | 228,985                            | 57,962  | 72,497                             |
| Transfers between variable and fixed accounts, net                                   | 417,494                                  | (180,576)                          | 670,388                              | (1,333,968)                        | (427,256)                                       | (2,339)                            |
| Contract benefits and terminations   | (1,311,779)                              | (780,956)                          | (1,095,397)                          | (451,277)                          | (791,642)                                       | (290,653)                          |
| Contract charges and deductions  | (93,663)                                 | (75,931)                           | (965)                                | (583)                              | (12,326)  | (13,477)                           |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -  | -                                  | -                                    | -                                  | (5)   | -                                  |
| Other  | (721)                                    | (211)                              | (56)                                 | 59                                 | 245   | (839)                              |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 80,558                                   | 850,610                            | (167,054)                            | (1,556,784)                        | (1,173,022)                                     | (234,811)                          |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>1,357,832</b>                         | <b>1,999,308</b>                   | <b>1,335,093</b>                     | <b>(1,650,235)</b>                 | <b>(308,975)</b>                                | <b>(506,002)</b>                   |
| <b>NET ASSETS</b>  |  |                                    |                                      |                                    |   |                                    |
| Beginning of Year  | 12,820,083                               | 10,820,775                         | 9,958,175                            | 11,608,410                         | 5,233,294                                       | 5,739,296                          |
| End of Year  | \$14,177,915                             | \$12,820,083                       | \$11,293,268                         | \$9,958,175                        | \$4,924,319                                     | \$5,233,294                        |
|  | Franklin Rising<br>Dividends VIP Class 2 |                                    | Templeton<br>Global Bond VIP Class 2 |                                    | Ivy VIP<br>Asset Strategy Class II              |                                    |
|  | Year Ended<br>December 31,<br>2021       | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021   | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021              | Year Ended<br>December 31,<br>2020 |
|  |  |                                    |                                      |                                    |   |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |                                      |                                    |   |                                    |
| <b>FROM OPERATIONS</b>   |  |                                    |                                      |                                    |   |                                    |
| Net investment income (loss)   | (\$54,341)                               | (\$3,309)                          | (\$74,493)                           | \$480,681                          | \$7,227   | \$1,500                            |
| Realized gain (loss) on investments  | 627,173                                  | 524,675                            | (303,325)                            | (292,895)                          | 108,199   | (17,234)                           |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 2,385,223                                | 1,038,992                          | (11,408)                             | (683,271)                          | (53,434)  | 85,567                             |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 2,958,055                                | 1,560,358                          | (389,226)                            | (495,485)                          | 61,992  | 69,833                             |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |                                    |                                      |                                    |   |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |  |                                    |                                      |                                    |   |                                    |
| Payments received from contract owners   | 1,301,288                                | 577,607                            | 129,681                              | 184,272                            | 479,152   | 45,497                             |
| Transfers between variable and fixed accounts, net                                   | (57,273)                                 | (1,153,125)                        | 648,271                              | (501,641)                          | 9,748   | (19,334)                           |
| Contract benefits and terminations   | (2,645,553)                              | (964,669)                          | (1,175,078)                          | (894,222)                          | (20,330)  | (22,754)                           |
| Contract charges and deductions  | (2,497)                                  | (2,474)                            | (3,967)                              | (4,207)                            | (1,123)   | (51)                               |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -  | -                                  | -                                    | -                                  | -   | -                                  |
| Other  | 5,133                                    | (309)                              | 146                                  | (95)                               | (108)   | (5)                                |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | (1,398,902)                              | (1,542,970)                        | (400,947)                            | (1,215,893)                        | 467,339   | 3,353                              |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>1,559,153</b>                         | <b>17,388</b>                      | <b>(790,173)</b>                     | <b>(1,711,378)</b>                 | <b>529,331</b>                                  | <b>73,186</b>                      |
| <b>NET ASSETS</b>  |  |                                    |                                      |                                    |   |                                    |
| Beginning of Year  | 12,891,097                               | 12,873,709                         | 6,300,589                            | 8,011,967                          | 623,786   | 550,600                            |
| End of Year  | \$14,450,250                             | \$12,891,097                       | \$5,510,416                          | \$6,300,589                        | \$1,153,117                                     | \$623,786                          |

**SEPARATE ACCOUNT A**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

|  | Variable Accounts                  |                                    |  |                                    |   |                                    |
|--|------------------------------------|------------------------------------|--|------------------------------------|---|------------------------------------|
|  | Year Ended<br>December 31,<br>2021 | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021         | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021              | Year Ended<br>December 31,<br>2020 |
|  | Ivy VIP<br>Energy Class II         |                                    | Janus Henderson<br>Balanced Service Shares |                                    | Janus Henderson<br>Flexible Bond Service Shares |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |  |                                    |   |                                    |
| <b>FROM OPERATIONS</b>   |                                    |                                    |  |                                    |   |                                    |
| Net investment income (loss)   | \$4,705                            | \$6,989                            | (\$2,271,507)                              | \$853,812                          | \$19,793  | \$25,726                           |
| Realized gain (loss) on investments  | (181,319)                          | (246,283)                          | 2,785,125                                  | 3,681,506                          | 62,082  | (19)                               |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 653,503                            | (84,641)                           | 57,124,108                                 | 34,641,989                         | (138,296)                                       | 142,690                            |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 476,889                            | (323,935)                          | 57,637,726                                 | 39,177,307                         | (56,421)  | 168,397                            |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |  |                                    |   |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |                                    |                                    |  |                                    |   |                                    |
| Payments received from contract owners   | 199,619                            | 121,832                            | 71,478,275                                 | 51,534,911                         | 212,678   | 575,076                            |
| Transfers between variable and fixed accounts, net                                   | 415,137                            | 242,067                            | 17,376,606                                 | 16,638,731                         | 1,394,848                                       | 199,499                            |
| Contract benefits and terminations   | (225,228)                          | (62,389)                           | (30,488,229)                               | (20,802,913)                       | (905,321)                                       | (361,182)                          |
| Contract charges and deductions  | (99)                               | (67)                               | (2,548,365)                                | (1,879,272)                        | (556)   | (179)                              |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -                                  | -                                  | -  | -                                  | -   | -                                  |
| Other  | (135)                              | 287                                | (10,293)                                   | (6,849)                            | (112)   | (269)                              |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 389,294                            | 301,730                            | 55,807,994                                 | 45,484,608                         | 701,537   | 412,945                            |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>866,183</b>                     | <b>(22,205)</b>                    | <b>113,445,720</b>                         | <b>84,661,915</b>                  | <b>645,116</b>                                  | <b>581,342</b>                     |
| <b>NET ASSETS</b>  |                                    |                                    |  |                                    |   |                                    |
| Beginning of Year  | 1,060,547                          | 1,082,752                          | 345,115,466                                | 260,453,551                        | 2,599,800                                       | 2,018,458                          |
| End of Year  | \$1,926,730                        | \$1,060,547                        | \$458,561,186                              | \$345,115,466                      | \$3,244,916                                     | \$2,599,800                        |
|  |                                    |                                    | <b>JPMorgan Insurance Trust</b>            | <b>JPMorgan Insurance Trust</b>    | <b>ClearBridge Variable</b>                     |                                    |
|  |                                    |                                    | <b>Global Allocation Class 2</b>           | <b>Income Builder Class 2</b>      | <b>Aggressive Growth - Class II</b>             |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |  |                                    |   |                                    |
| <b>FROM OPERATIONS</b>   |                                    |                                    |  |                                    |   |                                    |
| Net investment income (loss)   | (\$3,817)                          | \$14                               | \$14,158                                   | \$22,420                           | (\$13,548)                                      | (\$3,885)                          |
| Realized gain (loss) on investments  | 22,562                             | 11,721                             | 7,638                                      | (7,638)                            | 382,830   | 58,245                             |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 19,841                             | 21,532                             | 51,925                                     | 24,082                             | (322,801)                                       | 54,211                             |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 38,586                             | 33,267                             | 73,721                                     | 38,864                             | 46,481  | 108,571                            |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |  |                                    |   |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |                                    |                                    |  |                                    |   |                                    |
| Payments received from contract owners   | 18,309                             | -                                  | 87,881                                     | 2,608                              | 122,840   | 28,174                             |
| Transfers between variable and fixed accounts, net                                   | 170,298                            | 290,272                            | (1,497)                                    | 256,589                            | 545,193   | 25,014                             |
| Contract benefits and terminations   | (136,317)                          | (78,804)                           | (174,663)                                  | (68,693)                           | (36,549)  | (38,440)                           |
| Contract charges and deductions  | (39)                               | (98)                               | (67)                                       | (56)                               | (28)  | (21)                               |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -                                  | -                                  | -  | -                                  | -   | -                                  |
| Other  | 2                                  | (140)                              | (3)  | (12)                               | (83)  | (7)                                |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 52,253                             | 211,230                            | (88,349)                                   | 190,436                            | 631,373   | 14,720                             |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>90,839</b>                      | <b>244,497</b>                     | <b>(14,628)</b>                            | <b>229,300</b>                     | <b>677,854</b>                                  | <b>123,291</b>                     |
| <b>NET ASSETS</b>  |                                    |                                    |  |                                    |   |                                    |
| Beginning of Year  | 455,934                            | 211,437                            | 1,182,157                                  | 952,857                            | 707,537   | 584,246                            |
| End of Year  | \$546,773                          | \$455,934                          | \$1,167,529                                | \$1,182,157                        | \$1,385,391                                     | \$707,537                          |

**SEPARATE ACCOUNT A**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

|  | Variable Accounts                          |   |   |                                    |                                    |                                    |
|--|--|---|---|------------------------------------|------------------------------------|------------------------------------|
|  | Year Ended<br>December 31,<br>2021         | Year Ended<br>December 31,<br>2020      | Year Ended<br>December 31,<br>2021                          | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021 | Year Ended<br>December 31,<br>2020 |
|  | Lord Abbett<br>Bond Debenture Class VC     | Lord Abbett<br>Total Return Class VC    | MFS Massachusetts Investors<br>Growth Stock - Service Class |                                    |                                    |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |   |   |                                    |                                    |                                    |
| <b>FROM OPERATIONS</b>   |  |   |   |                                    |                                    |                                    |
| Net investment income (loss)   | \$119,178                                  | \$124,821                               | \$60,611  | \$86,917                           | (\$5,517)                          | (\$3,916)                          |
| Realized gain (loss) on investments  | 99,860                                     | (176,917)                               | 33,983  | 109,163                            | 114,356                            | 85,338                             |
| Change in net unrealized appreciation<br>(depreciation) on investments               | (107,270)                                  | 211,555                                 | (190,191)   | 185,161                            | 49,646                             | 51,404                             |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 111,768                                    | 159,459                                 | (95,597)  | 381,241                            | 158,485                            | 132,826                            |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |   |   |                                    |                                    |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |  |   |   |                                    |                                    |                                    |
| Payments received from contract owners   | 849,693                                    | 145,817                                 | 245,492   | 325,797                            | 10,704                             | 20,618                             |
| Transfers between variable and fixed accounts, net                                   | 1,094,832                                  | (1,160,693)                             | 1,113,864   | 213,068                            | (58,643)                           | (118,612)                          |
| Contract benefits and terminations   | (848,626)                                  | (212,222)                               | (994,825)   | (490,858)                          | (50,160)                           | (50,138)                           |
| Contract charges and deductions  | (1,021)                                    | (1,139)                                 | (18,250)  | (21,467)                           | (3,742)                            | (4,806)                            |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -  | -                                       | -   | -                                  | -                                  | -                                  |
| Other  | (126)                                      | (21)                                    | (146)   | (391)                              | (15)                               | (521)                              |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 1,094,752                                  | (1,228,258)                             | 346,135   | 26,149                             | (101,856)                          | (153,459)                          |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | 1,206,520                                  | (1,068,799)                             | 250,538   | 407,390                            | 56,629                             | (20,633)                           |
| <b>NET ASSETS</b>  |  |   |   |                                    |                                    |                                    |
| Beginning of Year  | 5,174,304                                  | 6,243,103                               | 6,751,459   | 6,344,069                          | 678,690                            | 699,323                            |
| End of Year  | \$6,380,824                                | \$5,174,304                             | \$7,001,997   | \$6,751,459                        | \$735,319                          | \$678,690                          |
|  | MFS Total Return Series -<br>Service Class | MFS Utilities Series -<br>Service Class | MFS Value Series -<br>Service Class                         |                                    |                                    |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |   |   |                                    |                                    |                                    |
| <b>FROM OPERATIONS</b>   |  |   |   |                                    |                                    |                                    |
| Net investment income (loss)   | \$151,193                                  | \$261,145                               | \$9,916   | \$33,273                           | \$3,687                            | \$5,609                            |
| Realized gain (loss) on investments  | 1,816,850                                  | 713,317                                 | 170,953   | 141,424                            | 61,194                             | 45,350                             |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 2,294,448                                  | 1,440,480                               | 331,853   | (45,029)                           | 165,606                            | (13,877)                           |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 4,262,491                                  | 2,414,942                               | 512,722   | 129,668                            | 230,487                            | 37,082                             |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |   |   |                                    |                                    |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |  |   |   |                                    |                                    |                                    |
| Payments received from contract owners   | 3,733,898                                  | 2,230,248                               | 448,347   | 303,321                            | 26,867                             | 16,183                             |
| Transfers between variable and fixed accounts, net                                   | 813,604                                    | 554,177                                 | (87,414)  | (325,078)                          | (67,800)                           | (15,869)                           |
| Contract benefits and terminations   | (3,408,413)                                | (2,875,829)                             | (439,174)   | (379,204)                          | (171,130)                          | (50,085)                           |
| Contract charges and deductions  | (244,158)                                  | (202,021)                               | (332)   | (455)                              | (6,948)                            | (7,558)                            |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -  | -                                       | -   | -                                  | -                                  | -                                  |
| Other  | (237)                                      | 16,503                                  | (54)  | 67                                 | (28)                               | (403)                              |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 894,694                                    | (276,922)                               | (78,627)  | (401,349)                          | (219,039)                          | (57,732)                           |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | 5,157,185                                  | 2,138,020                               | 434,095   | (271,681)                          | 11,448                             | (20,650)                           |
| <b>NET ASSETS</b>  |  |   |   |                                    |                                    |                                    |
| Beginning of Year  | 33,901,742                                 | 31,763,722                              | 4,308,866   | 4,580,547                          | 1,021,212                          | 1,041,862                          |
| End of Year  | \$39,058,927                               | \$33,901,742                            | \$4,742,961   | \$4,308,866                        | \$1,032,660                        | \$1,021,212                        |

SEPARATE ACCOUNT A  
STATEMENTS OF CHANGES IN NET ASSETS (Continued)

|  | Variable Accounts                             |   |  |   |   |                                    |
|--|---|---|--|---|---|------------------------------------|
|  | Year Ended<br>December 31,<br>2021            | Year/Period Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021     | Year/Period Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021          | Year Ended<br>December 31,<br>2020 |
|  | Neuberger Berman<br>PutWrite Strategy Class S | U.S. Equity Index                         | PIMCO All Asset -<br>Advisor Class (1) |   | PIMCO Commodity<br>Strategy - Advisor Class | RealReturn                         |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |   |  |   |   |                                    |
| <b>FROM OPERATIONS</b>   |   |   |  |   |   |                                    |
| Net investment income (loss)   | (\$1,351)                                     | (\$567)                                   | \$16,558                               | \$1,855                                   | \$19,262                                    | \$18,761                           |
| Realized gain (loss) on investments  | 23,566  | 10,654                                    | (1,745)                                | 8   | (448)                                       | (32,354)                           |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 343   | 1,062                                     | 5,367                                  | 14,399                                    | 121,361                                     | 7,359                              |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 22,558  | 11,149                                    | 20,180                                 | 16,262                                    | 140,175                                     | (6,234)                            |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |   |  |   |   |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |   |   |  |   |   |                                    |
| Payments received from contract owners   | 24,746  | -   | 25,252                                 | 20,759                                    | 131,894                                     | 31,053                             |
| Transfers between variable and fixed accounts, net                                   | (1,364)                                       | 2,639                                     | 63,345                                 | 86,973                                    | 256,701                                     | (73,414)                           |
| Contract benefits and terminations   | (107,689)                                     | (240)                                     | (18)                                   | -   | (20,372)                                    | (45,425)                           |
| Contract charges and deductions  | (3)   | (2)                                       | (192)                                  | (12)                                      | (31)  | (27)                               |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -   | -   | -                                      | -   | -   | -                                  |
| Other  | 1   | (1)                                       | (5)                                    | (5)                                       | (198)                                       | 159                                |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | (84,309)                                      | 2,396                                     | 88,382                                 | 107,715                                   | 367,994                                     | (87,654)                           |
| NET INCREASE (DECREASE) IN NET ASSETS  | (61,751)                                      | 13,545                                    | 108,562                                | 123,977                                   | 508,169                                     | (93,888)                           |
| <b>NET ASSETS</b>  |   |   |  |   |   |                                    |
| Beginning of Year or Period  | 168,817                                       | 155,272                                   | 123,977                                | -   | 404,040                                     | 497,928                            |
| End of Year or Period  | \$107,066                                     | \$168,817                                 | \$232,539                              | \$123,977                                 | \$912,209                                   | \$404,040                          |
|  | <b>PIMCO Income -<br/>Advisor Class (1)</b>   |   | <b>Schwab VIT Balanced</b>             |   | <b>Schwab VIT<br/>Balanced with Growth</b>  |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |   |  |   |   |                                    |
| <b>FROM OPERATIONS</b>   |   |   |  |   |   |                                    |
| Net investment income (loss)   | \$15,954                                      | \$1,549                                   | \$36,694                               | \$55,701                                  | \$65,513                                    | \$114,645                          |
| Realized gain (loss) on investments  | (1,289)                                       | 14  | 5,714                                  | 4,148                                     | 183,265                                     | (19,531)                           |
| Change in net unrealized appreciation<br>(depreciation) on investments               | (10,162)                                      | 9,249                                     | 316,213                                | 281,578                                   | 656,026                                     | 621,088                            |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 4,503   | 10,812                                    | 358,621                                | 341,427                                   | 904,804                                     | 716,202                            |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |   |  |   |   |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |   |   |  |   |   |                                    |
| Payments received from contract owners   | 414,561                                       | 75,105                                    | -                                      | 217,720                                   | 60,000                                      | 141,224                            |
| Transfers between variable and fixed accounts, net                                   | 717,184                                       | 289,688                                   | 11,341                                 | 583,577                                   | (3,082)                                     | (139,230)                          |
| Contract benefits and terminations   | (130,101)                                     | (320)                                     | (247,026)                              | (107,563)                                 | (933,818)                                   | (431,644)                          |
| Contract charges and deductions  | (5)   | -   | (27,762)                               | (27,647)                                  | (49,348)                                    | (49,670)                           |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -   | -   | -                                      | -   | -   | -                                  |
| Other  | (56)  | (22)                                      | 16                                     | (38)                                      | (428)                                       | 6                                  |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | 1,001,583                                     | 364,451                                   | (263,431)                              | 666,049                                   | (926,676)                                   | (479,314)                          |
| NET INCREASE (DECREASE) IN NET ASSETS  | 1,006,086                                     | 375,263                                   | 95,190                                 | 1,007,476                                 | (21,872)                                    | 236,888                            |
| <b>NET ASSETS</b>  |   |   |  |   |   |                                    |
| Beginning of Year or Period  | 375,263                                       | -   | 4,937,141                              | 3,929,665                                 | 8,740,754                                   | 8,503,866                          |
| End of Year or Period  | \$1,381,349                                   | \$375,263                                 | \$5,032,331                            | \$4,937,141                               | \$8,718,882                                 | \$8,740,754                        |

(1) Operations commenced or resumed during 2020 (See Financial Highlights for commencement date of operations).

**SEPARATE ACCOUNT A**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

|  | Variable Accounts                  |                                    |   |                                    |  |                                    |
|--|------------------------------------|------------------------------------|---|------------------------------------|--|------------------------------------|
|  | Year Ended<br>December 31,<br>2021 | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021          | Year Ended<br>December 31,<br>2020 | Year Ended<br>December 31,<br>2021     | Year Ended<br>December 31,<br>2020 |
|  | Schwab VIT Growth                  |                                    | State Street<br>Total Return V.I.S. Class 3 |                                    | VanEck VIP<br>Global Resources Class S |                                    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |   |                                    |  |                                    |
| <b>FROM OPERATIONS</b>   |                                    |                                    |   |                                    |  |                                    |
| Net investment income (loss)   | \$33,781                           | \$58,308                           | \$95,190                                    | \$44,013                           | (\$15,215)                             | (\$4,818)                          |
| Realized gain (loss) on investments  | 367,551                            | 173,170                            | 2,451,397                                   | (401,465)                          | 5,543                                  | (74,157)                           |
| Change in net unrealized appreciation<br>(depreciation) on investments               | 223,228                            | 210,475                            | (557,593)                                   | 1,120,297                          | 197,268                                | 218,027                            |
| Net Increase (Decrease) in Net Assets<br>Resulting from Operations                   | 624,560                            | 441,953                            | 1,988,994                                   | 762,845                            | 187,596                                | 139,052                            |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |                                    |                                    |   |                                    |  |                                    |
| <b>FROM CONTRACT OWNER TRANSACTIONS</b>  |                                    |                                    |   |                                    |  |                                    |
| Payments received from contract owners   | -                                  | -                                  | 194,921                                     | 422,400                            | 58,914                                 | 72,212                             |
| Transfers between variable and fixed accounts, net                                   | (8,259)                            | (444,347)                          | 274,679                                     | 60,743                             | 584,896                                | (52,871)                           |
| Contract benefits and terminations   | (540,523)                          | (144,391)                          | (1,527,073)                                 | (2,202,354)                        | (179,364)                              | (138,418)                          |
| Contract charges and deductions  | (32,954)                           | (33,472)                           | (170,083)                                   | (171,114)                          | (429)                                  | (498)                              |
| Adjustments to net assets allocated to contracts in<br>payout (annuitization) period | -                                  | -                                  | -   | -                                  | -                                      | -                                  |
| Other  | 11                                 | 28                                 | (514)                                       | 1,887                              | (80)                                   | 12                                 |
| Net Increase (Decrease) in Net Assets<br>Derived from Contract Owner Transactions    | (581,725)                          | (622,182)                          | (1,228,070)                                 | (1,888,438)                        | 463,937                                | (119,563)                          |
| <b>NET INCREASE (DECREASE) IN NET ASSETS</b>   | <b>42,835</b>                      | <b>(180,229)</b>                   | <b>760,924</b>                              | <b>(1,125,593)</b>                 | <b>651,533</b>                         | <b>19,489</b>                      |
| <b>NET ASSETS</b>  |                                    |                                    |   |                                    |  |                                    |
| Beginning of Year  | 4,644,075                          | 4,824,304                          | 17,562,108                                  | 18,687,701                         | 991,527                                | 972,038                            |
| End of Year  | \$4,686,910                        | \$4,644,075                        | \$18,323,032                                | \$17,562,108                       | \$1,643,060                            | \$991,527                          |

**SEPARATE ACCOUNT A  
FINANCIAL HIGHLIGHTS**

A summary of accumulation unit values ("AUV"), units outstanding, net assets, investment income ratios, expense ratios, and total returns for each year or period ended December 31 are presented in the table below.

| Variable Accounts<br>For Each Year   | At the End of Each Year |         |                      |               | Investment<br>Income<br>Ratios (2) | Expense Ratios (3) |         | Total Returns (4) |         |
|--------------------------------------|-------------------------|---------|----------------------|---------------|------------------------------------|--------------------|---------|-------------------|---------|
|                                      | AUV (1)                 |         | Units<br>Outstanding | Net<br>Assets |                                    | Lowest             | Highest | Lowest            | Highest |
|                                      | Lowest                  | Highest |                      |               |                                    |                    |         |                   |         |
| <b>Core Income Class I</b>           |                         |         |                      |               |                                    |                    |         |                   |         |
| 2021                                 | \$11.38                 | \$12.35 | 118,199              | \$1,386,621   | 0.00%                              | 0.30%              | 1.85%   | (2.07%)           | (0.69%) |
| 2020                                 | 11.62                   | 12.44   | 112,957              | 1,346,669     | 0.00%                              | 0.30%              | 1.70%   | 7.73%             | 9.03%   |
| 2019                                 | 10.79                   | 11.32   | 84,473               | 927,796       | 0.00%                              | 0.30%              | 1.70%   | 9.06%             | 10.37%  |
| 2018                                 | 9.89                    | 10.30   | 65,415               | 664,366       | 0.00%                              | 0.30%              | 1.70%   | (3.60%)           | (2.43%) |
| 2017                                 | 10.26                   | 10.51   | 20,061               | 208,254       | 0.00%                              | 0.50%              | 1.70%   | 3.24%             | 3.86%   |
| <b>Diversified Bond Class I</b>      |                         |         |                      |               |                                    |                    |         |                   |         |
| 2021                                 | \$12.34                 | \$19.04 | 950,178              | \$12,766,711  | 0.00%                              | 0.30%              | 1.85%   | (3.73%)           | (2.22%) |
| 2020                                 | 12.70                   | 19.49   | 854,822              | 11,889,597    | 0.00%                              | 0.30%              | 1.85%   | 8.33%             | 10.02%  |
| 2019                                 | 11.72                   | 17.73   | 709,361              | 9,113,387     | 0.00%                              | 0.30%              | 1.85%   | 10.93%            | 12.66%  |
| 2018                                 | 10.54                   | 15.75   | 697,874              | 8,213,416     | 0.00%                              | 0.30%              | 1.85%   | (3.18%)           | (1.65%) |
| 2017                                 | 10.76                   | 16.03   | 642,889              | 7,817,230     | 0.00%                              | 0.30%              | 2.00%   | 4.93%             | 6.45%   |
| <b>Floating Rate Income Class I</b>  |                         |         |                      |               |                                    |                    |         |                   |         |
| 2021                                 | \$11.64                 | \$13.32 | 779,138              | \$9,548,568   | 0.00%                              | 0.30%              | 1.95%   | 2.60%             | 4.31%   |
| 2020                                 | 11.35                   | 12.78   | 784,878              | 9,318,954     | 0.00%                              | 0.30%              | 1.95%   | 2.69%             | 4.39%   |
| 2019                                 | 11.05                   | 12.25   | 955,570              | 10,976,299    | 0.00%                              | 0.30%              | 1.95%   | 6.18%             | 7.78%   |
| 2018                                 | 10.45                   | 11.38   | 360,146              | 3,888,142     | 0.00%                              | 0.30%              | 1.85%   | (1.82%)           | (0.43%) |
| 2017                                 | 10.71                   | 11.43   | 181,686              | 1,988,122     | 0.00%                              | 0.40%              | 1.85%   | 1.92%             | 3.35%   |
| <b>High Yield Bond Class I</b>       |                         |         |                      |               |                                    |                    |         |                   |         |
| 2021                                 | \$12.81                 | \$31.12 | 499,918              | \$7,937,244   | 0.00%                              | 0.30%              | 1.85%   | 3.49%             | 5.10%   |
| 2020                                 | 12.37                   | 29.64   | 482,726              | 7,435,655     | 0.00%                              | 0.30%              | 1.85%   | 3.81%             | 5.43%   |
| 2019                                 | 11.91                   | 28.14   | 491,134              | 7,253,178     | 0.00%                              | 0.30%              | 1.85%   | 11.89%            | 13.64%  |
| 2018                                 | 10.51                   | 24.79   | 487,744              | 6,568,609     | 0.00%                              | 0.30%              | 1.85%   | (5.05%)           | (3.66%) |
| 2017                                 | 10.92                   | 25.73   | 477,503              | 6,903,679     | 0.00%                              | 0.40%              | 2.00%   | 5.78%             | 7.32%   |
| <b>Inflation Managed Class I</b>     |                         |         |                      |               |                                    |                    |         |                   |         |
| 2021                                 | \$10.50                 | \$27.47 | 642,308              | \$8,876,406   | 0.00%                              | 0.30%              | 1.85%   | 3.75%             | 5.37%   |
| 2020                                 | 10.12                   | 26.35   | 543,426              | 7,446,951     | 0.00%                              | 0.30%              | 1.85%   | 9.38%             | 11.09%  |
| 2019                                 | 9.24                    | 23.99   | 553,542              | 7,016,755     | 0.00%                              | 0.30%              | 1.85%   | 6.65%             | 8.32%   |
| 2018                                 | 8.66                    | 22.39   | 586,240              | 7,045,475     | 0.00%                              | 0.30%              | 1.95%   | (3.96%)           | (2.55%) |
| 2017                                 | 9.02                    | 23.21   | 603,856              | 7,633,227     | 0.00%                              | 0.40%              | 1.95%   | 1.69%             | 3.27%   |
| <b>Managed Bond Class I</b>          |                         |         |                      |               |                                    |                    |         |                   |         |
| 2021                                 | \$10.84                 | \$28.18 | 1,028,819            | \$14,093,600  | 0.00%                              | 0.30%              | 1.85%   | (2.94%)           | (1.43%) |
| 2020                                 | 11.07                   | 28.90   | 1,094,711            | 15,600,215    | 0.00%                              | 0.30%              | 1.85%   | 6.35%             | 8.02%   |
| 2019                                 | 10.40                   | 27.05   | 1,122,637            | 15,081,298    | 0.00%                              | 0.30%              | 1.85%   | 6.50%             | 8.17%   |
| 2018                                 | 9.81                    | 25.29   | 1,187,503            | 15,140,718    | 0.00%                              | 0.30%              | 1.95%   | (2.43%)           | (1.00%) |
| 2017                                 | 10.04                   | 25.80   | 1,153,959            | 15,152,953    | 0.00%                              | 0.40%              | 1.95%   | 2.70%             | 4.30%   |
| <b>Short Duration Bond Class I</b>   |                         |         |                      |               |                                    |                    |         |                   |         |
| 2021                                 | \$9.66                  | \$13.23 | 1,366,721            | \$14,182,613  | 0.00%                              | 0.30%              | 1.95%   | (2.37%)           | (0.75%) |
| 2020                                 | 9.90                    | 13.35   | 1,277,391            | 13,459,645    | 0.00%                              | 0.30%              | 1.95%   | 1.73%             | 3.42%   |
| 2019                                 | 9.73                    | 12.92   | 1,313,292            | 13,421,340    | 0.00%                              | 0.30%              | 1.95%   | 2.21%             | 3.91%   |
| 2018                                 | 9.52                    | 12.44   | 1,004,803            | 10,024,575    | 0.00%                              | 0.30%              | 1.95%   | (0.83%)           | 0.73%   |
| 2017                                 | 9.56                    | 12.35   | 969,694              | 9,675,384     | 0.00%                              | 0.40%              | 2.00%   | (0.69%)           | 0.85%   |
| <b>Emerging Markets Debt Class I</b> |                         |         |                      |               |                                    |                    |         |                   |         |
| 2021                                 | \$9.63                  | \$11.33 | 189,700              | \$1,997,177   | 0.00%                              | 0.30%              | 1.95%   | (7.94%)           | (6.40%) |
| 2020                                 | 10.44                   | 12.10   | 180,789              | 2,047,971     | 0.00%                              | 0.30%              | 1.95%   | (0.21%)           | 0.64%   |
| 2019                                 | 10.36                   | 12.31   | 172,215              | 1,892,055     | 0.00%                              | 0.75%              | 1.95%   | 7.40%             | 8.70%   |
| 2018                                 | 9.80                    | 11.32   | 142,320              | 1,458,698     | 0.00%                              | 0.75%              | 1.95%   | (7.29%)           | (6.16%) |
| 2017                                 | 10.37                   | 12.06   | 166,374              | 1,838,065     | 0.00%                              | 0.75%              | 1.95%   | 10.92%            | 12.25%  |
| <b>Dividend Growth Class I</b>       |                         |         |                      |               |                                    |                    |         |                   |         |
| 2021                                 | \$21.71                 | \$46.21 | 925,565              | \$28,125,485  | 0.00%                              | 0.30%              | 1.85%   | 23.49%            | 25.42%  |
| 2020                                 | 17.34                   | 36.88   | 875,693              | 21,554,135    | 0.00%                              | 0.30%              | 1.85%   | 11.36%            | 13.10%  |
| 2019                                 | 15.37                   | 32.64   | 887,848              | 19,734,773    | 0.00%                              | 0.30%              | 1.85%   | 28.24%            | 30.25%  |
| 2018                                 | 11.82                   | 25.09   | 751,574              | 13,104,496    | 0.00%                              | 0.30%              | 1.95%   | (3.10%)           | (1.68%) |
| 2017                                 | 16.31                   | 25.52   | 678,693              | 12,355,635    | 0.00%                              | 0.40%              | 1.95%   | 16.78%            | 18.60%  |
| <b>Equity Index Class I</b>          |                         |         |                      |               |                                    |                    |         |                   |         |
| 2021                                 | \$22.94                 | \$80.74 | 4,918,573            | \$157,072,054 | 0.00%                              | 0.30%              | 1.95%   | 25.89%            | 27.99%  |
| 2020                                 | 17.96                   | 63.79   | 4,618,605            | 117,294,135   | 0.00%                              | 0.30%              | 1.95%   | 15.83%            | 17.76%  |
| 2019                                 | 15.28                   | 54.77   | 4,506,520            | 98,603,385    | 0.00%                              | 0.30%              | 1.95%   | 28.57%            | 30.70%  |
| 2018                                 | 11.72                   | 42.36   | 4,671,197            | 79,353,834    | 0.00%                              | 0.30%              | 1.95%   | (6.58%)           | (5.11%) |
| 2017                                 | 12.36                   | 45.10   | 3,863,099            | 70,503,346    | 0.00%                              | 0.40%              | 2.00%   | 19.14%            | 21.00%  |



**SEPARATE ACCOUNT A**  
**FINANCIAL HIGHLIGHTS (Continued)**

| Variable Accounts<br>For Each Year or Period | At the End of Each Year or Period |          |             |              | Investment<br>Income<br>Ratios (2) | Expense Ratios (3) |         | Total Returns (4) |          |
|--|-----------------------------------|----------|-------------|--------------|------------------------------------|--------------------|---------|-------------------|----------|
|  | AUV (1)                           |          | Units       | Net          |                                    | Lowest             | Highest | Lowest            | Highest  |
|  | Lowest                            | Highest  | Outstanding | Assets       |                                    |                    |         |                   |          |
| <b>Focused Growth Class I</b>                |                                   |          |             |              |                                    |                    |         |                   |          |
| 2021   | \$30.35                           | \$79.14  | 385,041     | \$17,365,436 | 0.00%                              | 0.30%              | 1.95%   | 17.47%            | 19.43%   |
| 2020   | 25.47                             | 67.17    | 394,425     | 15,102,007   | 0.00%                              | 0.30%              | 1.95%   | 35.62%            | 37.88%   |
| 2019   | 18.51                             | 49.38    | 348,255     | 10,046,830   | 0.00%                              | 0.30%              | 1.95%   | 32.85%            | 35.06%   |
| 2018   | 13.73                             | 37.06    | 381,528     | 8,333,146    | 0.00%                              | 0.30%              | 1.95%   | 2.95%             | 3.99%    |
| 2017   | 16.65                             | 35.89    | 341,155     | 7,146,274    | 0.00%                              | 0.95%              | 1.95%   | 27.01%            | 28.28%   |
| <b>Growth Class I</b>                        |                                   |          |             |              |                                    |                    |         |                   |          |
| 2021   | \$29.98                           | \$109.55 | 334,741     | \$13,897,672 | 0.00%                              | 0.30%              | 1.85%   | 21.16%            | 23.05%   |
| 2020   | 24.41                             | 90.01    | 324,355     | 11,090,651   | 0.00%                              | 0.30%              | 1.85%   | 29.15%            | 31.17%   |
| 2019   | 18.65                             | 69.38    | 362,437     | 9,562,350    | 0.00%                              | 0.30%              | 1.85%   | 35.60%            | 37.72%   |
| 2018   | 13.57                             | 50.93    | 296,936     | 5,766,650    | 0.00%                              | 0.30%              | 1.95%   | 0.52%             | 1.89%    |
| 2017   | 13.32                             | 50.44    | 246,431     | 4,827,751    | 0.00%                              | 0.50%              | 1.95%   | 29.11%            | 30.66%   |
| <b>Hedged Equity Class I (5)</b>             |                                   |          |             |              |                                    |                    |         |                   |          |
| 05/26/2021 - 12/31/2021                      | \$10.45                           | \$10.53  | 556,230     | \$5,819,984  | 0.00%                              | 0.30%              | 1.40%   | 3.91%             | 3.91%    |
| <b>Large-Cap Growth Class I</b>              |                                   |          |             |              |                                    |                    |         |                   |          |
| 2021   | \$29.75                           | \$51.24  | 415,540     | \$16,226,435 | 0.00%                              | 0.30%              | 1.85%   | 18.07%            | 19.91%   |
| 2020   | 24.86                             | 42.92    | 502,142     | 16,886,712   | 0.00%                              | 0.30%              | 1.85%   | 35.81%            | 37.93%   |
| 2019   | 18.17                             | 30.22    | 395,640     | 9,673,246    | 0.00%                              | 0.30%              | 1.85%   | 29.92%            | 31.95%   |
| 2018   | 13.71                             | 23.20    | 448,893     | 8,427,029    | 0.00%                              | 0.30%              | 1.85%   | 0.01%             | 1.48%    |
| 2017   | 15.20                             | 23.14    | 395,733     | 7,380,870    | 0.00%                              | 0.40%              | 1.85%   | 31.25%            | 33.16%   |
| <b>Large-Cap Value Class I</b>               |                                   |          |             |              |                                    |                    |         |                   |          |
| 2021   | \$17.53                           | \$38.91  | 405,244     | \$9,548,572  | 0.00%                              | 0.30%              | 1.85%   | 23.81%            | 25.74%   |
| 2020   | 13.97                             | 30.98    | 389,187     | 7,507,171    | 0.00%                              | 0.30%              | 1.85%   | 3.93%             | 5.55%    |
| 2019   | 13.34                             | 29.38    | 352,323     | 6,609,054    | 0.00%                              | 0.30%              | 1.85%   | 26.11%            | 28.08%   |
| 2018   | 10.37                             | 23.93    | 337,585     | 5,035,426    | 0.00%                              | 0.30%              | 1.85%   | (11.02%)          | (9.71%)  |
| 2017   | 11.50                             | 26.77    | 316,304     | 5,459,856    | 0.00%                              | 0.40%              | 1.85%   | 11.87%            | 13.49%   |
| <b>Main Street Core Class I</b>              |                                   |          |             |              |                                    |                    |         |                   |          |
| 2021   | \$20.72                           | \$60.69  | 264,278     | \$8,192,654  | 0.00%                              | 0.40%              | 1.85%   | 25.42%            | 27.25%   |
| 2020   | 16.30                             | 48.17    | 290,641     | 7,152,440    | 0.00%                              | 0.40%              | 1.85%   | 11.85%            | 13.48%   |
| 2019   | 14.38                             | 42.88    | 289,627     | 6,384,950    | 0.00%                              | 0.40%              | 1.85%   | 29.71%            | 31.60%   |
| 2018   | 10.93                             | 32.91    | 289,422     | 4,953,819    | 0.00%                              | 0.40%              | 1.85%   | (9.44%)           | (8.11%)  |
| 2017   | 16.78                             | 36.17    | 200,058     | 3,905,960    | 0.00%                              | 0.40%              | 1.85%   | 14.94%            | 16.62%   |
| <b>Mid-Cap Equity Class I</b>                |                                   |          |             |              |                                    |                    |         |                   |          |
| 2021   | \$20.07                           | \$67.03  | 260,678     | \$7,842,888  | 0.00%                              | 0.30%              | 1.85%   | 14.27%            | 16.05%   |
| 2020   | 17.33                             | 58.40    | 238,983     | 6,349,578    | 0.00%                              | 0.30%              | 1.85%   | 25.18%            | 27.13%   |
| 2019   | 13.65                             | 46.45    | 272,595     | 5,742,899    | 0.00%                              | 0.30%              | 1.85%   | 18.63%            | 20.48%   |
| 2018   | 11.36                             | 38.98    | 259,053     | 4,593,737    | 0.00%                              | 0.30%              | 1.95%   | (11.38%)          | (9.99%)  |
| 2017   | 12.64                             | 43.78    | 402,480     | 7,946,483    | 0.00%                              | 0.30%              | 1.95%   | 21.88%            | 23.78%   |
| <b>Mid-Cap Growth Class I</b>                |                                   |          |             |              |                                    |                    |         |                   |          |
| 2021   | \$30.44                           | \$53.38  | 451,793     | \$17,238,136 | 0.00%                              | 0.30%              | 1.85%   | 14.53%            | 16.32%   |
| 2020   | 26.22                             | 46.10    | 451,462     | 15,057,702   | 0.00%                              | 0.30%              | 1.85%   | 47.39%            | 49.69%   |
| 2019   | 17.55                             | 30.93    | 446,944     | 10,075,956   | 0.00%                              | 0.30%              | 1.85%   | 35.91%            | 38.04%   |
| 2018   | 12.74                             | 22.72    | 481,494     | 8,020,409    | 0.00%                              | 0.30%              | 1.85%   | (1.68%)           | (0.24%)  |
| 2017   | 12.79                             | 23.08    | 328,318     | 5,815,785    | 0.00%                              | 0.40%              | 1.85%   | 25.16%            | 26.98%   |
| <b>Mid-Cap Value Class I</b>                 |                                   |          |             |              |                                    |                    |         |                   |          |
| 2021   | \$17.10                           | \$46.21  | 274,608     | \$6,868,136  | 0.00%                              | 0.30%              | 1.85%   | 24.71%            | 26.65%   |
| 2020   | 13.50                             | 36.52    | 218,040     | 4,405,706    | 0.00%                              | 0.30%              | 1.85%   | 3.58%             | 5.20%    |
| 2019   | 12.84                             | 34.75    | 193,122     | 3,864,584    | 0.00%                              | 0.30%              | 1.85%   | 27.56%            | 29.55%   |
| 2018   | 9.91                              | 26.85    | 199,407     | 3,173,198    | 0.00%                              | 0.30%              | 1.95%   | (16.36%)          | (15.14%) |
| 2017   | 15.63                             | 31.64    | 174,947     | 3,453,554    | 0.00%                              | 0.40%              | 1.95%   | 13.24%            | 15.00%   |
| <b>Small-Cap Equity Class I</b>              |                                   |          |             |              |                                    |                    |         |                   |          |
| 2021   | \$15.76                           | \$38.53  | 143,248     | \$3,232,303  | 0.00%                              | 0.30%              | 1.85%   | 24.14%            | 26.08%   |
| 2020   | 12.53                             | 30.90    | 152,522     | 2,775,602    | 0.00%                              | 0.30%              | 1.85%   | 3.48%             | 5.10%    |
| 2019   | 11.94                             | 29.72    | 153,500     | 2,701,005    | 0.00%                              | 0.30%              | 1.85%   | 21.69%            | 23.59%   |
| 2018   | 9.68                              | 24.32    | 163,209     | 2,417,091    | 0.00%                              | 0.30%              | 1.85%   | (14.52%)          | (13.56%) |
| 2017   | 15.43                             | 28.32    | 172,775     | 3,158,942    | 0.00%                              | 0.75%              | 2.00%   | 6.73%             | 7.91%    |
| <b>Small-Cap Growth Class I</b>              |                                   |          |             |              |                                    |                    |         |                   |          |
| 2021   | \$27.60                           | \$45.75  | 290,913     | \$8,654,324  | 0.00%                              | 0.30%              | 1.85%   | (0.17%)           | 1.39%    |
| 2020   | 27.61                             | 45.17    | 301,512     | 8,973,996    | 0.00%                              | 0.30%              | 1.85%   | 52.73%            | 55.11%   |
| 2019   | 17.87                             | 29.15    | 335,639     | 6,639,964    | 0.00%                              | 0.30%              | 1.85%   | 29.48%            | 31.51%   |
| 2018   | 13.67                             | 22.19    | 279,675     | 4,343,377    | 0.00%                              | 0.30%              | 1.85%   | 3.61%             | 5.13%    |
| 2017   | 13.35                             | 21.11    | 190,095     | 2,859,235    | 0.00%                              | 0.40%              | 1.85%   | 27.84%            | 29.70%   |

**SEPARATE ACCOUNT A**  
**FINANCIAL HIGHLIGHTS (Continued)**

| Variable Accounts<br>For Each Year or Period | At the End of Each Year or Period |         |             |              | Investment<br>Income<br>Ratios (2) | Expense Ratios (3) |         | Total Returns (4) |          |
|--|-----------------------------------|---------|-------------|--------------|------------------------------------|--------------------|---------|-------------------|----------|
|  | AUV (1)                           |         | Units       | Net          |                                    | Lowest             | Highest | Lowest            | Highest  |
|  | Lowest                            | Highest | Outstanding | Assets       |                                    |                    |         |                   |          |
| <b>Small-Cap Index Class I</b>               |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021   | \$17.27                           | \$49.39 | 569,876     | \$14,274,986 | 0.00%                              | 0.30%              | 1.85%   | 12.14%            | 13.89%   |
| 2020   | 15.20                             | 43.41   | 491,481     | 11,083,754   | 0.00%                              | 0.30%              | 1.85%   | 16.97%            | 18.80%   |
| 2019   | 12.82                             | 36.58   | 519,616     | 10,135,506   | 0.00%                              | 0.30%              | 1.85%   | 22.51%            | 24.42%   |
| 2018   | 10.32                             | 29.43   | 563,132     | 8,832,089    | 0.00%                              | 0.30%              | 1.85%   | (13.18%)          | (11.82%) |
| 2017   | 11.73                             | 33.40   | 482,136     | 8,846,277    | 0.00%                              | 0.30%              | 1.85%   | 11.98%            | 13.61%   |
| <b>Small-Cap Value Class I</b>               |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021   | \$15.65                           | \$72.59 | 231,013     | \$6,064,973  | 0.00%                              | 0.30%              | 1.85%   | 33.12%            | 35.20%   |
| 2020   | 11.60                             | 53.74   | 238,266     | 4,640,712    | 0.00%                              | 0.30%              | 1.85%   | 1.54%             | 3.13%    |
| 2019   | 11.27                             | 52.16   | 227,711     | 4,433,328    | 0.00%                              | 0.30%              | 1.85%   | 20.34%            | 22.10%   |
| 2018   | 9.24                              | 42.72   | 229,777     | 3,727,294    | 0.00%                              | 0.40%              | 1.85%   | (17.83%)          | (16.63%) |
| 2017   | 15.87                             | 51.24   | 241,040     | 4,811,760    | 0.00%                              | 0.40%              | 1.85%   | 6.67%             | 8.22%    |
| <b>Value Class I</b>                         |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021   | \$18.37                           | \$28.45 | 136,265     | \$3,061,129  | 0.00%                              | 0.75%              | 1.85%   | 19.42%            | 20.74%   |
| 2020   | 15.23                             | 23.57   | 154,680     | 2,954,360    | 0.00%                              | 0.30%              | 1.85%   | (8.64%)           | (7.63%)  |
| 2019   | 12.84                             | 25.51   | 171,176     | 3,461,384    | 0.00%                              | 0.30%              | 1.85%   | 22.43%            | 24.10%   |
| 2018   | 10.35                             | 20.61   | 187,704     | 3,048,702    | 0.00%                              | 0.50%              | 1.85%   | (13.99%)          | (12.81%) |
| 2017   | 11.87                             | 23.74   | 198,102     | 3,722,395    | 0.00%                              | 0.40%              | 1.85%   | 15.61%            | 16.89%   |
| <b>Value Advantage Class I</b>               |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021   | \$16.42                           | \$22.88 | 205,517     | \$4,405,461  | 0.00%                              | 0.30%              | 1.85%   | 26.17%            | 27.88%   |
| 2020   | 12.84                             | 17.93   | 112,996     | 1,940,399    | 0.00%                              | 0.50%              | 1.85%   | (4.56%)           | (3.26%)  |
| 2019   | 13.28                             | 18.58   | 102,221     | 1,826,738    | 0.00%                              | 0.50%              | 1.85%   | 24.63%            | 26.33%   |
| 2018   | 10.51                             | 14.75   | 98,472      | 1,401,855    | 0.00%                              | 0.50%              | 1.85%   | (10.74%)          | (9.52%)  |
| 2017   | 11.61                             | 16.34   | 80,226      | 1,269,254    | 0.00%                              | 0.50%              | 1.85%   | 12.23%            | 13.47%   |
| <b>Emerging Markets Class I</b>              |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021   | \$12.82                           | \$84.69 | 440,071     | \$7,328,099  | 0.00%                              | 0.30%              | 1.95%   | (10.06%)          | (8.56%)  |
| 2020   | 14.16                             | 92.71   | 436,537     | 8,237,393    | 0.00%                              | 0.30%              | 1.95%   | 15.06%            | 16.98%   |
| 2019   | 12.23                             | 79.33   | 496,074     | 8,280,900    | 0.00%                              | 0.30%              | 1.95%   | 23.18%            | 25.23%   |
| 2018   | 9.86                              | 63.42   | 540,280     | 7,351,415    | 0.00%                              | 0.30%              | 1.95%   | (13.70%)          | (12.26%) |
| 2017   | 11.35                             | 72.35   | 498,036     | 7,916,505    | 0.00%                              | 0.30%              | 2.00%   | 31.93%            | 33.98%   |
| <b>International Growth Class I (5)</b>      |                                   |         |             |              |                                    |                    |         |                   |          |
| 12/14/2021 - 12/31/2021                      | \$9.79                            | \$9.79  | 1,001       | \$9,808      | 0.00%                              | 1.20%              | 1.20%   | 4.08%             | 4.08%    |
| <b>International Large-Cap Class I</b>       |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021   | \$16.68                           | \$36.85 | 479,212     | \$9,422,292  | 0.00%                              | 0.30%              | 1.95%   | 12.56%            | 14.43%   |
| 2020   | 14.80                             | 32.23   | 465,259     | 8,142,998    | 0.00%                              | 0.30%              | 1.95%   | 8.60%             | 10.41%   |
| 2019   | 13.60                             | 29.23   | 466,577     | 7,485,650    | 0.00%                              | 0.30%              | 1.95%   | 25.56%            | 27.65%   |
| 2018   | 10.82                             | 22.92   | 496,763     | 6,331,408    | 0.00%                              | 0.30%              | 1.95%   | (13.52%)          | (12.08%) |
| 2017   | 12.49                             | 26.09   | 466,025     | 6,931,724    | 0.00%                              | 0.30%              | 1.95%   | 25.06%            | 27.00%   |
| <b>International Small-Cap Class I</b>       |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021   | \$13.90                           | \$24.26 | 102,893     | \$1,750,333  | 0.00%                              | 0.30%              | 1.95%   | 11.67%            | 13.42%   |
| 2020   | 12.37                             | 21.47   | 104,127     | 1,574,164    | 0.00%                              | 0.30%              | 1.95%   | 6.33%             | 7.99%    |
| 2019   | 11.57                             | 19.95   | 107,214     | 1,511,569    | 0.00%                              | 0.30%              | 1.95%   | 17.75%            | 19.71%   |
| 2018   | 9.76                              | 16.74   | 104,521     | 1,231,591    | 0.00%                              | 0.30%              | 1.95%   | (23.67%)          | (22.47%) |
| 2017   | 12.71                             | 21.67   | 92,978      | 1,417,392    | 0.00%                              | 0.40%              | 1.95%   | 29.38%            | 31.39%   |
| <b>International Value Class I</b>           |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021   | \$8.02                            | \$16.24 | 423,676     | \$5,106,907  | 0.00%                              | 0.30%              | 1.85%   | 18.16%            | 20.00%   |
| 2020   | 6.75                              | 13.55   | 439,510     | 4,394,780    | 0.00%                              | 0.30%              | 1.85%   | (8.87%)           | (7.45%)  |
| 2019   | 7.37                              | 14.66   | 389,627     | 4,264,093    | 0.00%                              | 0.30%              | 1.85%   | 14.46%            | 16.25%   |
| 2018   | 6.41                              | 12.68   | 369,318     | 3,489,365    | 0.00%                              | 0.30%              | 1.95%   | (16.53%)          | (15.30%) |
| 2017   | 7.64                              | 15.12   | 324,316     | 3,647,299    | 0.00%                              | 0.40%              | 1.95%   | 19.23%            | 21.09%   |
| <b>Health Sciences Class I</b>               |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021   | \$19.11                           | \$82.43 | 854,149     | \$31,511,533 | 0.00%                              | 0.30%              | 1.85%   | 10.32%            | 12.05%   |
| 2020   | 17.23                             | 74.57   | 821,413     | 27,848,080   | 0.00%                              | 0.30%              | 1.85%   | 16.61%            | 18.43%   |
| 2019   | 14.69                             | 63.82   | 828,592     | 24,289,103   | 0.00%                              | 0.30%              | 1.85%   | 23.46%            | 25.39%   |
| 2018   | 11.83                             | 51.59   | 859,760     | 20,675,352   | 0.00%                              | 0.30%              | 1.95%   | 5.91%             | 7.57%    |
| 2017   | 11.11                             | 54.42   | 737,222     | 16,898,205   | 0.00%                              | 0.30%              | 2.00%   | 21.58%            | 23.23%   |
| <b>Real Estate Class I</b>                   |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021   | \$16.07                           | \$83.30 | 342,557     | \$8,382,994  | 0.00%                              | 0.30%              | 1.85%   | 37.75%            | 39.90%   |
| 2020   | 11.60                             | 60.20   | 363,170     | 6,476,309    | 0.00%                              | 0.30%              | 1.85%   | (5.05%)           | (3.66%)  |
| 2019   | 12.16                             | 63.11   | 399,306     | 7,440,600    | 0.00%                              | 0.40%              | 1.85%   | 28.88%            | 30.76%   |
| 2018   | 9.38                              | 48.75   | 398,991     | 5,670,003    | 0.00%                              | 0.40%              | 1.85%   | (9.16%)           | (7.82%)  |
| 2017   | 10.27                             | 53.42   | 421,003     | 6,532,523    | 0.00%                              | 0.40%              | 1.85%   | 1.35%             | 2.82%    |

**SEPARATE ACCOUNT A**  
**FINANCIAL HIGHLIGHTS (Continued)**

| Variable Accounts<br>For Each Year or Period                | At the End of Each Year or Period |         |             |               | Investment<br>Income<br>Ratios (2) | Expense Ratios (3) |         | Total Returns (4) |         |
|---|-----------------------------------|---------|-------------|---------------|------------------------------------|--------------------|---------|-------------------|---------|
|   | AUV (1)                           |         | Units       | Net           |                                    | Lowest             | Highest | Lowest            | Highest |
|   | Lowest                            | Highest | Outstanding | Assets        |                                    |                    |         |                   |         |
| <b>Technology Class I</b>                                   |                                   |         |             |               |                                    |                    |         |                   |         |
| 2021  | \$20.54                           | \$38.93 | 586,941     | \$20,152,017  | 0.00%                              | 0.30%              | 1.85%   | 11.77%            | 13.52%  |
| 2020  | 18.29                             | 34.74   | 606,691     | 18,556,587    | 0.00%                              | 0.30%              | 1.85%   | 44.54%            | 46.80%  |
| 2019  | 12.60                             | 23.98   | 582,717     | 12,290,994    | 0.00%                              | 0.30%              | 1.85%   | 33.82%            | 35.91%  |
| 2018  | 9.37                              | 17.87   | 560,414     | 8,791,315     | 0.00%                              | 0.30%              | 1.85%   | (0.09%)           | 1.18%   |
| 2017  | 9.34                              | 17.84   | 379,347     | 5,907,740     | 0.00%                              | 0.60%              | 2.00%   | 36.25%            | 37.96%  |
| <b>ESG Diversified Class I (5)</b>                          |                                   |         |             |               |                                    |                    |         |                   |         |
| 06/14/2021 - 12/31/2021                                     | \$10.43                           | \$10.60 | 129,810     | \$1,375,018   | 0.00%                              | 0.75%              | 1.65%   | 4.50%             | 4.50%   |
| <b>ESG Diversified Growth Class I (5)</b>                   |                                   |         |             |               |                                    |                    |         |                   |         |
| 12/20/2021 - 12/31/2021                                     | \$10.03                           | \$10.03 | 775         | \$7,773       | 0.00%                              | 1.40%              | 1.40%   | 3.64%             | 3.64%   |
| <b>PSF DFA Balanced Allocation Class D</b>                  |                                   |         |             |               |                                    |                    |         |                   |         |
| 2021  | \$10.48                           | \$16.01 | 955,947     | \$14,834,277  | 0.00%                              | 0.30%              | 1.85%   | 10.44%            | 12.16%  |
| 2020  | 13.12                             | 14.27   | 779,152     | 10,963,998    | 0.00%                              | 0.30%              | 1.85%   | 10.05%            | 11.77%  |
| 2019  | 11.86                             | 12.85   | 764,898     | 9,691,444     | 0.00%                              | 0.30%              | 1.85%   | 17.55%            | 19.39%  |
| 2018  | 10.03                             | 10.85   | 662,128     | 7,087,884     | 0.00%                              | 0.30%              | 1.85%   | (7.92%)           | (6.47%) |
| 2017  | 11.44                             | 11.69   | 441,383     | 5,124,462     | 0.00%                              | 0.30%              | 1.85%   | 10.91%            | 12.64%  |
| <b>Pacific Dynamix - Conservative Growth Class I</b>        |                                   |         |             |               |                                    |                    |         |                   |         |
| 2021  | \$10.22                           | \$21.81 | 3,087,697   | \$50,537,140  | 0.00%                              | 0.30%              | 1.85%   | 4.49%             | 6.12%   |
| 2020  | 12.68                             | 20.72   | 3,242,829   | 50,933,627    | 0.00%                              | 0.30%              | 1.85%   | 10.16%            | 11.88%  |
| 2019  | 11.45                             | 18.68   | 3,246,329   | 46,302,731    | 0.00%                              | 0.30%              | 1.85%   | 13.35%            | 15.12%  |
| 2018  | 10.05                             | 16.37   | 3,207,983   | 40,569,227    | 0.00%                              | 0.30%              | 2.00%   | (5.62%)           | (4.13%) |
| 2017  | 11.10                             | 17.22   | 3,164,286   | 42,949,805    | 0.00%                              | 0.30%              | 1.85%   | 7.93%             | 9.12%   |
| <b>Pacific Dynamix - Moderate Growth Class I</b>            |                                   |         |             |               |                                    |                    |         |                   |         |
| 2021  | \$10.35                           | \$27.19 | 8,966,797   | \$169,827,302 | 0.00%                              | 0.30%              | 1.85%   | 8.59%             | 10.29%  |
| 2020  | 13.44                             | 24.86   | 8,842,919   | 155,502,777   | 0.00%                              | 0.30%              | 1.85%   | 12.48%            | 14.24%  |
| 2019  | 11.88                             | 23.27   | 9,147,626   | 143,286,925   | 0.00%                              | 0.30%              | 1.85%   | 16.76%            | 18.58%  |
| 2018  | 10.12                             | 19.69   | 9,552,450   | 130,370,211   | 0.00%                              | 0.30%              | 1.85%   | (7.27%)           | (5.81%) |
| 2017  | 10.86                             | 20.96   | 9,178,038   | 137,693,884   | 0.00%                              | 0.30%              | 1.85%   | 11.71%            | 13.11%  |
| <b>Pacific Dynamix - Growth Class I</b>                     |                                   |         |             |               |                                    |                    |         |                   |         |
| 2021  | \$17.83                           | \$36.52 | 5,161,096   | \$108,023,040 | 0.00%                              | 0.30%              | 2.00%   | 12.07%            | 13.99%  |
| 2020  | 15.64                             | 32.07   | 3,237,619   | 61,915,942    | 0.00%                              | 0.30%              | 2.00%   | 13.50%            | 15.44%  |
| 2019  | 13.55                             | 27.81   | 1,913,691   | 33,535,855    | 0.00%                              | 0.30%              | 2.00%   | 20.50%            | 22.57%  |
| 2018  | 11.06                             | 22.71   | 1,768,089   | 26,509,842    | 0.00%                              | 0.30%              | 2.00%   | (9.13%)           | (7.56%) |
| 2017  | 11.96                             | 24.59   | 1,609,615   | 28,410,547    | 0.00%                              | 0.30%              | 2.00%   | 15.20%            | 17.05%  |
| <b>Portfolio Optimization Conservative Class I</b>          |                                   |         |             |               |                                    |                    |         |                   |         |
| 2021  | \$10.11                           | \$15.18 | 6,673,193   | \$88,029,123  | 0.00%                              | 0.30%              | 2.00%   | 0.18%             | 1.80%   |
| 2020  | 11.97                             | 14.92   | 6,805,319   | 89,158,669    | 0.00%                              | 0.30%              | 2.00%   | 5.75%             | 7.45%   |
| 2019  | 11.37                             | 13.88   | 6,575,306   | 81,073,618    | 0.00%                              | 0.30%              | 2.00%   | 9.98%             | 11.75%  |
| 2018  | 10.31                             | 12.42   | 6,628,580   | 74,015,064    | 0.00%                              | 0.40%              | 2.00%   | (5.30%)           | (3.77%) |
| 2017  | 10.81                             | 12.91   | 7,401,626   | 86,914,663    | 0.00%                              | 0.40%              | 2.00%   | 5.25%             | 6.95%   |
| <b>Portfolio Optimization Moderate-Conservative Class I</b> |                                   |         |             |               |                                    |                    |         |                   |         |
| 2021  | \$10.24                           | \$17.57 | 8,584,296   | \$131,746,697 | 0.00%                              | 0.30%              | 2.00%   | 4.18%             | 5.86%   |
| 2020  | 12.29                             | 16.60   | 9,517,737   | 139,732,839   | 0.00%                              | 0.40%              | 2.00%   | 7.79%             | 9.53%   |
| 2019  | 11.32                             | 15.15   | 10,730,343  | 145,453,637   | 0.00%                              | 0.40%              | 2.00%   | 13.00%            | 14.82%  |
| 2018  | 9.95                              | 13.22   | 12,119,762  | 144,853,069   | 0.00%                              | 0.40%              | 2.00%   | (6.88%)           | (5.37%) |
| 2017  | 11.78                             | 14.02   | 13,890,856  | 177,653,644   | 0.00%                              | 0.40%              | 2.00%   | 8.60%             | 10.35%  |
| <b>Portfolio Optimization Moderate Class I</b>              |                                   |         |             |               |                                    |                    |         |                   |         |
| 2021  | \$10.33                           | \$20.13 | 28,880,546  | \$498,374,746 | 0.00%                              | 0.30%              | 2.00%   | 7.02%             | 8.85%   |
| 2020  | 12.62                             | 18.57   | 31,180,415  | 500,836,115   | 0.00%                              | 0.30%              | 2.00%   | 9.61%             | 11.49%  |
| 2019  | 11.49                             | 16.73   | 34,268,716  | 500,217,551   | 0.00%                              | 0.30%              | 2.00%   | 16.11%            | 18.10%  |
| 2018  | 9.87                              | 14.23   | 39,586,114  | 495,993,252   | 0.00%                              | 0.30%              | 2.00%   | (8.41%)           | (6.83%) |
| 2017  | 10.75                             | 15.35   | 44,326,592  | 604,636,882   | 0.00%                              | 0.30%              | 2.00%   | 10.98%            | 12.77%  |
| <b>Portfolio Optimization Growth Class I</b>                |                                   |         |             |               |                                    |                    |         |                   |         |
| 2021  | \$14.90                           | \$22.32 | 20,865,222  | \$403,162,654 | 0.00%                              | 0.30%              | 2.00%   | 10.88%            | 12.78%  |
| 2020  | 13.34                             | 20.05   | 22,646,907  | 393,203,447   | 0.00%                              | 0.30%              | 2.00%   | 10.49%            | 12.39%  |
| 2019  | 11.99                             | 18.08   | 24,813,829  | 388,792,075   | 0.00%                              | 0.30%              | 2.00%   | 19.25%            | 21.29%  |
| 2018  | 9.98                              | 15.10   | 27,777,699  | 363,800,807   | 0.00%                              | 0.30%              | 2.00%   | (10.02%)          | (8.47%) |
| 2017  | 11.02                             | 16.71   | 31,235,884  | 453,337,016   | 0.00%                              | 0.30%              | 2.00%   | 14.09%            | 15.92%  |

**SEPARATE ACCOUNT A**  
**FINANCIAL HIGHLIGHTS (Continued)**

| Variable Accounts<br>For Each Year                             | At the End of Each Year |         |                      |               | Investment<br>Income<br>Ratios (2) | Expense Ratios (3) |         | Total Returns (4) |          |
|--|-------------------------|---------|----------------------|---------------|------------------------------------|--------------------|---------|-------------------|----------|
|  | AUV (1)                 |         | Units<br>Outstanding | Net<br>Assets |                                    | Lowest             | Highest | Lowest            | Highest  |
|  | Lowest                  | Highest |                      |               |                                    |                    |         |                   |          |
| <b>Portfolio Optimization Aggressive-Growth Class I</b>        |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$19.22                 | \$24.39 | 4,860,170            | \$99,029,212  | 0.00%                              | 0.40%              | 2.00%   | 13.39%            | 15.22%   |
| 2020   | 16.90                   | 21.43   | 5,288,583            | 94,685,992    | 0.00%                              | 0.40%              | 2.00%   | 10.23%            | 12.01%   |
| 2019   | 15.29                   | 19.59   | 5,931,846            | 96,008,850    | 0.00%                              | 0.40%              | 2.00%   | 21.31%            | 23.27%   |
| 2018   | 12.56                   | 15.95   | 6,674,915            | 88,788,383    | 0.00%                              | 0.40%              | 2.00%   | (11.20%)          | (9.76%)  |
| 2017   | 14.17                   | 17.83   | 7,428,849            | 110,883,550   | 0.00%                              | 0.40%              | 2.00%   | 16.25%            | 18.12%   |
| <b>Invesco Oppenheimer V.I. International Growth Series II</b> |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$15.00                 | \$17.57 | 79,709               | \$1,244,113   | 0.00%                              | 0.30%              | 1.85%   | 8.37%             | 9.79%    |
| 2020   | 13.75                   | 16.01   | 53,477               | 762,137       | 0.68%                              | 0.30%              | 1.85%   | 18.82%            | 20.68%   |
| 2019   | 11.57                   | 13.26   | 52,091               | 619,573       | 0.75%                              | 0.30%              | 1.85%   | 25.86%            | 27.44%   |
| 2018   | 9.27                    | 9.65    | 59,998               | 563,366       | 0.66%                              | 0.40%              | 1.65%   | (20.88%)          | (19.87%) |
| 2017   | 11.72                   | 12.04   | 22,773               | 269,199       | 0.93%                              | 0.40%              | 1.65%   | 24.69%            | 25.00%   |
| <b>Invesco V.I. Balanced-Risk Allocation Series II</b>         |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$10.36                 | \$25.57 | 1,313,865            | \$20,963,754  | 3.02%                              | 0.30%              | 2.00%   | 7.10%             | 8.61%    |
| 2020   | 12.03                   | 23.54   | 1,329,079            | 19,933,034    | 7.90%                              | 0.60%              | 2.00%   | 7.81%             | 9.33%    |
| 2019   | 11.08                   | 21.53   | 1,374,948            | 19,105,001    | 0.00%                              | 0.60%              | 2.00%   | 12.61%            | 14.20%   |
| 2018   | 9.77                    | 18.86   | 1,546,672            | 19,051,246    | 1.30%                              | 0.60%              | 2.00%   | (8.57%)           | (7.27%)  |
| 2017   | 11.29                   | 20.34   | 1,549,089            | 21,280,209    | 3.85%                              | 0.40%              | 2.00%   | 7.66%             | 9.18%    |
| <b>Invesco V.I. Equity and Income Series II</b>                |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$16.13                 | \$16.96 | 129,021              | \$2,152,374   | 1.71%                              | 0.75%              | 1.85%   | 16.36%            | 17.47%   |
| 2020   | 13.97                   | 14.49   | 105,660              | 1,508,592     | 2.19%                              | 0.75%              | 1.70%   | 7.80%             | 8.83%    |
| 2019   | 12.96                   | 13.37   | 114,634              | 1,507,427     | 2.36%                              | 0.75%              | 1.70%   | 17.99%            | 19.11%   |
| 2018   | 10.96                   | 11.27   | 101,613              | 1,125,702     | 1.83%                              | 0.75%              | 1.80%   | (11.26%)          | (10.41%) |
| 2017   | 12.25                   | 12.63   | 197,701              | 2,463,734     | 2.11%                              | 0.75%              | 1.80%   | 8.81%             | 9.95%    |
| <b>Invesco V.I. Global Real Estate Series II</b>               |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$12.08                 | \$13.31 | 192,014              | \$2,453,296   | 2.75%                              | 0.40%              | 1.85%   | 23.15%            | 24.94%   |
| 2020   | 9.81                    | 10.65   | 144,773              | 1,499,520     | 4.49%                              | 0.40%              | 1.85%   | (14.17%)          | (12.91%) |
| 2019   | 11.43                   | 12.23   | 188,154              | 2,231,980     | 4.10%                              | 0.40%              | 1.85%   | 20.64%            | 22.16%   |
| 2018   | 9.54                    | 10.01   | 152,127              | 1,493,586     | 3.72%                              | 0.40%              | 1.85%   | (7.92%)           | (6.71%)  |
| 2017   | 10.34                   | 10.73   | 167,746              | 1,770,011     | 4.33%                              | 0.40%              | 1.80%   | 10.83%            | 12.28%   |
| <b>Invesco V.I. Global Series II</b>                           |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$19.85                 | \$22.64 | 104,537              | \$2,139,474   | 0.00%                              | 0.30%              | 1.85%   | 13.12%            | 14.83%   |
| 2020   | 17.54                   | 19.72   | 98,826               | 1,776,751     | 0.42%                              | 0.30%              | 1.80%   | 25.07%            | 26.96%   |
| 2019   | 14.03                   | 15.53   | 120,540              | 1,724,083     | 0.65%                              | 0.30%              | 1.85%   | 29.11%            | 31.06%   |
| 2018   | 10.85                   | 11.85   | 128,226              | 1,412,270     | 0.87%                              | 0.30%              | 1.85%   | (14.99%)          | (13.65%) |
| 2017   | 12.76                   | 13.72   | 240,744              | 3,098,476     | 0.62%                              | 0.30%              | 1.85%   | 34.03%            | 34.83%   |
| <b>American Century VP Mid Cap Value Class II</b>              |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$15.38                 | \$25.20 | 218,165              | \$5,029,076   | 1.04%                              | 0.30%              | 1.85%   | 20.76%            | 22.40%   |
| 2020   | 12.57                   | 21.90   | 218,105              | 4,147,308     | 1.64%                              | 0.30%              | 1.85%   | (0.74%)           | 0.71%    |
| 2019   | 12.49                   | 21.75   | 252,942              | 4,813,752     | 1.89%                              | 0.30%              | 1.85%   | 26.63%            | 28.48%   |
| 2018   | 9.73                    | 16.93   | 255,772              | 3,862,470     | 1.25%                              | 0.40%              | 1.85%   | (14.57%)          | (13.31%) |
| 2017   | 16.74                   | 19.52   | 301,086              | 5,291,149     | 1.36%                              | 0.40%              | 2.00%   | 9.43%             | 11.02%   |
| <b>American Funds IS Asset Allocation Class 4</b>              |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$10.53                 | \$18.66 | 15,374,587           | \$259,202,114 | 1.35%                              | 0.30%              | 2.00%   | 12.57%            | 14.50%   |
| 2020   | 13.29                   | 16.37   | 15,751,470           | 235,641,719   | 1.46%                              | 0.30%              | 2.00%   | 9.94%             | 11.82%   |
| 2019   | 12.06                   | 14.71   | 16,557,407           | 223,794,339   | 1.70%                              | 0.30%              | 2.00%   | 18.53%            | 20.56%   |
| 2018   | 10.15                   | 12.25   | 17,415,254           | 197,418,663   | 1.44%                              | 0.30%              | 2.00%   | (6.73%)           | (5.12%)  |
| 2017   | 10.85                   | 12.97   | 17,806,184           | 215,128,897   | 1.38%                              | 0.30%              | 2.00%   | 13.62%            | 15.56%   |
| <b>American Funds IS Capital Income Builder Class 4</b>        |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$13.10                 | \$14.75 | 328,719              | \$4,468,501   | 2.55%                              | 0.30%              | 1.85%   | 12.75%            | 14.34%   |
| 2020   | 11.50                   | 12.90   | 292,184              | 3,506,050     | 2.66%                              | 0.30%              | 1.85%   | 2.21%             | 3.80%    |
| 2019   | 11.25                   | 12.43   | 360,381              | 4,208,592     | 2.69%                              | 0.30%              | 1.85%   | 15.46%            | 16.74%   |
| 2018   | 9.75                    | 10.26   | 327,111              | 3,284,034     | 2.72%                              | 0.75%              | 1.85%   | (8.96%)           | (7.95%)  |
| 2017   | 10.71                   | 11.15   | 276,765              | 3,029,553     | 2.58%                              | 0.75%              | 1.85%   | 10.59%            | 11.81%   |
| <b>American Funds IS Capital World Bond Class 4</b>            |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$10.52                 | \$11.57 | 121,629              | \$1,344,382   | 1.57%                              | 0.30%              | 1.85%   | (6.92%)           | (5.46%)  |
| 2020   | 11.30                   | 12.24   | 101,683              | 1,194,904     | 1.04%                              | 0.30%              | 1.85%   | 7.61%             | 9.29%    |
| 2019   | 10.50                   | 11.20   | 126,073              | 1,353,254     | 1.55%                              | 0.30%              | 1.85%   | 5.57%             | 7.21%    |
| 2018   | 9.95                    | 10.45   | 62,484               | 633,509       | 1.21%                              | 0.30%              | 1.85%   | (3.28%)           | (2.35%)  |
| 2017   | 10.31                   | 10.55   | 75,149               | 782,581       | 0.43%                              | 0.75%              | 1.80%   | 4.73%             | 5.84%    |

**SEPARATE ACCOUNT A**  
**FINANCIAL HIGHLIGHTS (Continued)**

| Variable Accounts<br>For Each Year                               | At the End of Each Year |         |                      |               | Investment<br>Income<br>Ratios (2) | Expense Ratios (3) |         | Total Returns (4) |          |
|--|-------------------------|---------|----------------------|---------------|------------------------------------|--------------------|---------|-------------------|----------|
|  | AUV (1)                 |         | Units<br>Outstanding | Net<br>Assets |                                    | Lowest             | Highest | Lowest            | Highest  |
|  | Lowest                  | Highest |                      |               |                                    |                    |         |                   |          |
| <b>American Funds IS Capital World Growth and Income Class 4</b> |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$17.29                 | \$18.51 | 161,402              | \$2,886,057   | 1.66%                              | 0.30%              | 1.80%   | 12.42%            | 14.12%   |
| 2020   | 15.38                   | 16.24   | 137,802              | 2,175,133     | 1.13%                              | 0.30%              | 1.80%   | 6.61%             | 8.22%    |
| 2019   | 14.43                   | 15.07   | 133,512              | 1,966,633     | 1.65%                              | 0.30%              | 1.85%   | 28.40%            | 30.34%   |
| 2018   | 11.22                   | 11.62   | 159,993              | 1,821,983     | 1.65%                              | 0.30%              | 1.85%   | (11.51%)          | (10.57%) |
| 2017   | 12.70                   | 12.99   | 123,978              | 1,588,580     | 2.32%                              | 0.75%              | 1.80%   | 23.59%            | 24.64%   |
| <b>American Funds IS Global Balanced Class 4</b>                 |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$15.07                 | \$15.98 | 256,329              | \$3,984,964   | 0.83%                              | 0.30%              | 1.85%   | 8.60%             | 9.64%    |
| 2020   | 13.77                   | 14.73   | 303,599              | 4,366,912     | 0.94%                              | 0.30%              | 1.85%   | 7.98%             | 9.67%    |
| 2019   | 12.76                   | 13.43   | 259,920              | 3,415,773     | 1.26%                              | 0.30%              | 1.85%   | 18.06%            | 19.85%   |
| 2018   | 10.83                   | 11.21   | 206,302              | 2,280,361     | 1.33%                              | 0.30%              | 1.85%   | (7.90%)           | (6.59%)  |
| 2017   | 11.79                   | 12.04   | 88,034               | 1,051,289     | 1.73%                              | 0.30%              | 1.70%   | 17.37%            | 18.49%   |
| <b>American Funds IS Global Growth Class 4</b>                   |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$23.95                 | \$25.71 | 235,674              | \$5,939,813   | 0.20%                              | 0.30%              | 1.85%   | 14.01%            | 15.79%   |
| 2020   | 20.72                   | 22.38   | 257,600              | 5,650,892     | 0.16%                              | 0.30%              | 1.85%   | 27.78%            | 29.78%   |
| 2019   | 16.00                   | 17.39   | 223,295              | 3,816,671     | 0.97%                              | 0.30%              | 1.85%   | 32.40%            | 34.47%   |
| 2018   | 11.92                   | 13.03   | 207,463              | 2,665,032     | 0.50%                              | 0.30%              | 1.85%   | (10.91%)          | (9.92%)  |
| 2017   | 14.07                   | 14.52   | 223,084              | 3,200,914     | 0.70%                              | 0.75%              | 1.85%   | 28.72%            | 30.14%   |
| <b>American Funds IS Global Small Capitalization Class 4</b>     |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$18.18                 | \$20.03 | 135,846              | \$2,559,606   | 0.00%                              | 0.30%              | 1.85%   | 4.48%             | 6.11%    |
| 2020   | 17.40                   | 18.88   | 93,754               | 1,679,372     | 0.13%                              | 0.30%              | 1.85%   | 27.02%            | 29.00%   |
| 2019   | 13.70                   | 14.64   | 98,191               | 1,375,775     | 0.01%                              | 0.30%              | 1.85%   | 28.84%            | 30.85%   |
| 2018   | 10.63                   | 11.19   | 91,069               | 984,226       | 0.02%                              | 0.30%              | 1.85%   | (12.45%)          | (11.48%) |
| 2017   | 12.15                   | 12.44   | 66,264               | 813,505       | 0.43%                              | 0.75%              | 1.85%   | 23.76%            | 24.69%   |
| <b>American Funds IS Growth Class 4</b>                          |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$29.70                 | \$36.61 | 1,215,693            | \$37,277,031  | 0.05%                              | 0.30%              | 1.85%   | 19.45%            | 21.32%   |
| 2020   | 24.86                   | 30.31   | 1,147,600            | 29,196,407    | 0.20%                              | 0.30%              | 1.85%   | 48.94%            | 51.26%   |
| 2019   | 16.68                   | 20.13   | 977,419              | 16,638,760    | 0.57%                              | 0.30%              | 1.85%   | 28.05%            | 30.05%   |
| 2018   | 12.77                   | 15.55   | 975,971              | 12,908,911    | 0.26%                              | 0.30%              | 1.85%   | (2.34%)           | (0.90%)  |
| 2017   | 13.35                   | 15.75   | 951,964              | 12,837,352    | 0.48%                              | 0.40%              | 1.85%   | 25.65%            | 27.47%   |
| <b>American Funds IS Growth-Income Class 4</b>                   |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$20.57                 | \$24.35 | 842,439              | \$17,877,271  | 0.94%                              | 0.30%              | 1.85%   | 21.53%            | 23.31%   |
| 2020   | 16.92                   | 19.82   | 890,935              | 15,472,123    | 1.17%                              | 0.40%              | 1.85%   | 11.17%            | 12.80%   |
| 2019   | 15.06                   | 17.63   | 958,573              | 14,890,984    | 1.49%                              | 0.30%              | 1.85%   | 23.55%            | 25.35%   |
| 2018   | 12.02                   | 14.12   | 1,006,401            | 12,582,866    | 1.20%                              | 0.30%              | 1.85%   | (3.86%)           | (2.45%)  |
| 2017   | 12.82                   | 14.52   | 1,068,686            | 13,840,762    | 1.48%                              | 0.40%              | 1.85%   | 19.85%            | 21.59%   |
| <b>American Funds IS American High-Income Trust Class 4</b>      |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$13.53                 | \$14.44 | 266,458              | \$3,724,858   | 4.60%                              | 0.30%              | 1.80%   | 6.41%             | 7.86%    |
| 2020   | 12.57                   | 13.44   | 157,949              | 2,063,813     | 8.98%                              | 0.30%              | 1.70%   | 5.97%             | 7.41%    |
| 2019   | 11.79                   | 12.57   | 125,979              | 1,551,733     | 6.04%                              | 0.30%              | 1.65%   | 10.43%            | 11.93%   |
| 2018   | 10.54                   | 11.28   | 105,122              | 1,167,043     | 5.47%                              | 0.30%              | 1.70%   | (4.24%)           | (2.93%)  |
| 2017   | 10.86                   | 11.68   | 98,855               | 1,141,009     | 7.13%                              | 0.30%              | 1.85%   | 4.94%             | 5.63%    |
| <b>American Funds IS International Class 4</b>                   |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$12.88                 | \$15.45 | 262,936              | \$3,615,169   | 2.20%                              | 0.30%              | 1.85%   | (3.51%)           | (2.01%)  |
| 2020   | 13.35                   | 15.77   | 251,014              | 3,526,811     | 0.44%                              | 0.30%              | 1.85%   | 11.58%            | 13.32%   |
| 2019   | 11.96                   | 13.91   | 275,471              | 3,440,912     | 1.27%                              | 0.30%              | 1.85%   | 20.42%            | 22.30%   |
| 2018   | 9.93                    | 11.38   | 334,075              | 3,432,023     | 1.68%                              | 0.30%              | 1.85%   | (15.01%)          | (13.76%) |
| 2017   | 11.69                   | 12.32   | 242,161              | 2,895,535     | 2.01%                              | 0.40%              | 1.85%   | 29.68%            | 31.37%   |
| <b>American Funds IS International Growth and Income Class 4</b> |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$12.23                 | \$15.14 | 163,875              | \$2,095,505   | 2.71%                              | 0.30%              | 1.85%   | 3.17%             | 4.78%    |
| 2020   | 11.86                   | 14.45   | 170,830              | 2,104,420     | 1.26%                              | 0.30%              | 1.85%   | 3.79%             | 5.42%    |
| 2019   | 11.42                   | 13.71   | 194,022              | 2,294,997     | 2.34%                              | 0.30%              | 1.85%   | 20.22%            | 22.10%   |
| 2018   | 9.42                    | 11.23   | 208,927              | 2,044,405     | 1.75%                              | 0.30%              | 1.85%   | (13.05%)          | (12.30%) |
| 2017   | 10.74                   | 11.28   | 214,822              | 2,398,157     | 2.90%                              | 0.40%              | 1.80%   | 22.50%            | 23.54%   |
| <b>American Funds IS Managed Risk Asset Allocation Class P2</b>  |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$10.45                 | \$15.80 | 1,150,358            | \$17,734,168  | 1.33%                              | 0.30%              | 1.85%   | 10.44%            | 12.17%   |
| 2020   | 12.36                   | 14.20   | 1,126,009            | 15,735,754    | 1.54%                              | 0.30%              | 1.85%   | 3.94%             | 5.57%    |
| 2019   | 11.83                   | 13.56   | 1,074,245            | 14,361,623    | 2.34%                              | 0.30%              | 1.85%   | 15.82%            | 16.69%   |
| 2018   | 10.16                   | 11.62   | 1,106,197            | 12,692,365    | 1.35%                              | 1.10%              | 1.85%   | (6.65%)           | (5.94%)  |
| 2017   | 11.97                   | 12.35   | 930,355              | 11,376,512    | 0.78%                              | 1.10%              | 1.85%   | 12.71%            | 13.55%   |

**SEPARATE ACCOUNT A**  
**FINANCIAL HIGHLIGHTS (Continued)**

| Variable Accounts<br>For Each Year                           | At the End of Each Year |         |                      |               | Investment<br>Income<br>Ratios (2) | Expense Ratios (3) |         | Total Returns (4) |          |
|--|-------------------------|---------|----------------------|---------------|------------------------------------|--------------------|---------|-------------------|----------|
|  | AUV (1)                 |         | Units<br>Outstanding | Net<br>Assets |                                    | Lowest             | Highest | Lowest            | Highest  |
|  | Lowest                  | Highest |                      |               |                                    |                    |         |                   |          |
| <b>American Funds IS New World Fund Class 4</b>              |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$15.02                 | \$18.35 | 244,309              | \$3,871,527   | 0.68%                              | 0.30%              | 1.85%   | 2.71%             | 4.32%    |
| 2020   | 14.62                   | 17.59   | 203,039              | 3,110,839     | 0.04%                              | 0.30%              | 1.85%   | 21.03%            | 22.92%   |
| 2019   | 12.08                   | 14.31   | 232,555              | 2,921,670     | 0.82%                              | 0.30%              | 1.85%   | 26.45%            | 28.43%   |
| 2018   | 9.55                    | 11.14   | 209,260              | 2,062,018     | 0.72%                              | 0.30%              | 1.85%   | (15.70%)          | (14.51%) |
| 2017   | 11.42                   | 13.03   | 186,093              | 2,162,319     | 0.89%                              | 0.30%              | 1.80%   | 26.95%            | 28.55%   |
| <b>American Funds IS The Bond Fund of America Class 4</b>    |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$11.05                 | \$12.02 | 496,026              | \$5,730,081   | 1.21%                              | 0.30%              | 1.85%   | (2.41%)           | (0.88%)  |
| 2020   | 11.32                   | 12.13   | 512,069              | 5,996,507     | 2.22%                              | 0.30%              | 1.85%   | 7.38%             | 9.05%    |
| 2019   | 10.54                   | 11.12   | 314,251              | 3,408,548     | 2.65%                              | 0.30%              | 1.85%   | 7.08%             | 8.75%    |
| 2018   | 9.84                    | 10.22   | 242,152              | 2,433,875     | 2.60%                              | 0.30%              | 1.85%   | (2.71%)           | (1.18%)  |
| 2017   | 10.12                   | 10.36   | 161,501              | 1,658,809     | 2.63%                              | 0.30%              | 1.85%   | 1.40%             | 2.52%    |
| <b>American Funds IS U.S. Government Securities Class 4</b>  |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$10.70                 | \$11.46 | 355,799              | \$3,932,121   | 0.93%                              | 0.30%              | 1.85%   | (2.55%)           | (1.17%)  |
| 2020   | 10.86                   | 11.62   | 540,025              | 6,076,201     | 1.94%                              | 0.30%              | 1.85%   | 7.53%             | 8.94%    |
| 2019   | 10.14                   | 10.69   | 166,287              | 1,726,774     | 1.95%                              | 0.50%              | 1.80%   | 3.27%             | 4.62%    |
| 2018   | 9.82                    | 10.25   | 150,056              | 1,500,443     | 1.85%                              | 0.50%              | 1.80%   | (1.30%)           | 0.00%    |
| 2017   | 9.95                    | 10.27   | 139,941              | 1,409,467     | 1.31%                              | 0.50%              | 1.80%   | (0.52%)           | 0.52%    |
| <b>American Funds IS Washington Mutual Investors Class 4</b> |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$17.74                 | \$19.70 | 579,425              | \$10,990,621  | 1.38%                              | 0.30%              | 1.85%   | 25.18%            | 27.13%   |
| 2020   | 13.98                   | 15.56   | 455,179              | 6,892,892     | 1.67%                              | 0.30%              | 1.85%   | 6.48%             | 8.15%    |
| 2019   | 12.95                   | 14.46   | 399,776              | 5,650,160     | 1.98%                              | 0.30%              | 1.85%   | 18.82%            | 20.67%   |
| 2018   | 10.75                   | 12.03   | 390,306              | 4,614,962     | 2.01%                              | 0.30%              | 1.85%   | (10.60%)          | (9.19%)  |
| 2017   | 11.89                   | 13.31   | 288,982              | 3,803,353     | 1.71%                              | 0.30%              | 2.00%   | 14.57%            | 15.83%   |
| <b>BlackRock 60/40 Target Allocation ETF V.I. Class I</b>    |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$15.33                 | \$17.11 | 900,508              | \$14,444,158  | 2.16%                              | 0.30%              | 1.85%   | 10.16%            | 11.66%   |
| 2020   | 13.99                   | 15.33   | 652,737              | 9,486,052     | 2.24%                              | 0.30%              | 1.80%   | 12.62%            | 13.41%   |
| 2019   | 12.42                   | 12.93   | 399,455              | 5,109,416     | 2.61%                              | 1.10%              | 1.80%   | 19.42%            | 20.08%   |
| 2018   | 10.49                   | 10.76   | 250,308              | 2,672,552     | 1.01%                              | 1.10%              | 1.65%   | (6.51%)           | (5.99%)  |
| 2017   | 11.22                   | 11.45   | 232,510              | 2,645,191     | 2.48%                              | 1.10%              | 1.65%   | 13.23%            | 13.86%   |
| <b>BlackRock Capital Appreciation V.I. Class III</b>         |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$41.27                 | \$55.36 | 10,763               | \$522,573     | 0.00%                              | 0.75%              | 1.30%   | 19.33%            | 19.99%   |
| 2020   | 34.58                   | 46.14   | 12,741               | 517,797       | 0.00%                              | 0.75%              | 1.30%   | 39.69%            | 40.46%   |
| 2019   | 24.76                   | 32.85   | 17,033               | 493,866       | 0.00%                              | 0.75%              | 1.30%   | 29.85%            | 30.57%   |
| 2018   | 19.07                   | 25.16   | 18,238               | 405,551       | 0.00%                              | 0.75%              | 1.30%   | 0.80%             | 1.36%    |
| 2017   | 18.91                   | 24.82   | 21,240               | 466,088       | 0.00%                              | 0.75%              | 1.30%   | 31.23%            | 31.96%   |
| <b>BlackRock Global Allocation V.I. Class III</b>            |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$10.01                 | \$20.24 | 7,241,395            | \$120,483,066 | 0.81%                              | 0.30%              | 2.00%   | 4.31%             | 6.10%    |
| 2020   | 13.38                   | 19.09   | 7,736,066            | 123,571,677   | 1.27%                              | 0.30%              | 2.00%   | 18.32%            | 20.35%   |
| 2019   | 11.28                   | 15.88   | 8,623,099            | 115,730,698   | 1.21%                              | 0.30%              | 2.00%   | 15.42%            | 17.40%   |
| 2018   | 9.75                    | 13.54   | 10,292,964           | 119,103,716   | 0.82%                              | 0.30%              | 2.00%   | (9.42%)           | (7.86%)  |
| 2017   | 10.73                   | 14.76   | 11,509,569           | 146,398,560   | 1.26%                              | 0.30%              | 2.00%   | 11.46%            | 13.26%   |
| <b>Fidelity VIP Contrafund Service Class 2</b>               |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$24.64                 | \$34.65 | 1,366,969            | \$44,036,527  | 0.03%                              | 0.30%              | 1.85%   | 25.17%            | 27.13%   |
| 2020   | 19.42                   | 27.39   | 1,297,656            | 33,320,279    | 0.07%                              | 0.30%              | 1.85%   | 27.85%            | 29.84%   |
| 2019   | 14.99                   | 21.26   | 1,268,217            | 25,314,064    | 0.22%                              | 0.30%              | 1.85%   | 28.87%            | 30.88%   |
| 2018   | 11.47                   | 16.37   | 1,193,991            | 18,380,807    | 0.45%                              | 0.30%              | 1.85%   | (8.36%)           | (6.92%)  |
| 2017   | 12.35                   | 17.73   | 1,011,080            | 16,911,587    | 0.80%                              | 0.30%              | 1.85%   | 19.37%            | 20.68%   |
| <b>Fidelity VIP FundsManager 60% Service Class 2</b>         |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$10.48                 | \$21.96 | 2,291,982            | \$42,854,738  | 0.97%                              | 0.30%              | 1.85%   | 10.15%            | 11.76%   |
| 2020   | 13.69                   | 19.65   | 2,070,740            | 35,291,993    | 0.93%                              | 0.30%              | 1.85%   | 12.81%            | 14.46%   |
| 2019   | 12.07                   | 17.16   | 2,120,981            | 31,855,617    | 1.37%                              | 0.30%              | 1.85%   | 18.05%            | 19.89%   |
| 2018   | 10.16                   | 14.33   | 2,233,979            | 28,289,916    | 1.08%                              | 0.30%              | 1.85%   | (8.24%)           | (6.79%)  |
| 2017   | 11.81                   | 15.39   | 2,176,116            | 29,987,745    | 1.04%                              | 0.30%              | 1.85%   | 14.63%            | 16.30%   |
| <b>Fidelity VIP Government Money Market Service Class</b>    |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021   | \$9.00                  | \$10.28 | 1,980,259            | \$18,771,461  | 0.01%                              | 0.30%              | 1.95%   | (1.92%)           | (0.29%)  |
| 2020   | 9.18                    | 10.31   | 3,469,686            | 33,023,990    | 0.21%                              | 0.30%              | 1.95%   | (1.66%)           | (0.02%)  |
| 2019   | 9.33                    | 10.32   | 2,342,735            | 22,547,886    | 1.88%                              | 0.30%              | 1.95%   | (0.05%)           | 1.61%    |
| 2018   | 9.34                    | 10.15   | 2,019,537            | 19,256,958    | 1.54%                              | 0.30%              | 1.95%   | (0.42%)           | 1.25%    |
| 2017   | 9.38                    | 10.03   | 1,647,204            | 15,722,217    | 0.62%                              | 0.30%              | 1.95%   | (1.36%)           | 0.17%    |

**SEPARATE ACCOUNT A  
FINANCIAL HIGHLIGHTS (Continued)**

| Variable Accounts<br>For Each Year                                    | At the End of Each Year |         |                      |               | Investment<br>Income<br>Ratios (2) | Expense Ratios (3) |         | Total Returns (4) |          |
|---|-------------------------|---------|----------------------|---------------|------------------------------------|--------------------|---------|-------------------|----------|
|   | AUV (1)                 |         | Units<br>Outstanding | Net<br>Assets |                                    | Lowest             | Highest | Lowest            | Highest  |
|   | Lowest                  | Highest |                      |               |                                    |                    |         |                   |          |
| <b>Fidelity VIP Strategic Income Service Class 2</b>                  |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$12.11                 | \$13.58 | 614,445              | \$7,729,030   | 2.60%                              | 0.30%              | 1.85%   | 1.69%             | 3.22%    |
| 2020  | 11.87                   | 13.17   | 496,677              | 6,115,170     | 3.10%                              | 0.30%              | 1.85%   | 5.20%             | 6.84%    |
| 2019  | 11.28                   | 12.34   | 542,010              | 6,311,547     | 3.20%                              | 0.30%              | 1.85%   | 8.63%             | 10.32%   |
| 2018  | 10.39                   | 11.20   | 623,030              | 6,658,991     | 4.01%                              | 0.30%              | 1.85%   | (4.61%)           | (3.21%)  |
| 2017  | 10.89                   | 11.57   | 492,779              | 5,487,848     | 4.79%                              | 0.40%              | 1.85%   | 5.63%             | 7.12%    |
| <b>First Trust Dorsey Wright Tactical Core Class I</b>                |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$14.80                 | \$15.50 | 182,763              | \$2,800,341   | 0.39%                              | 1.10%              | 1.85%   | 11.95%            | 12.63%   |
| 2020  | 13.34                   | 13.76   | 148,482              | 2,028,978     | 0.46%                              | 1.10%              | 1.80%   | 9.22%             | 9.88%    |
| 2019  | 12.16                   | 12.52   | 230,103              | 2,859,791     | 0.65%                              | 1.10%              | 1.80%   | 18.83%            | 19.66%   |
| 2018  | 10.24                   | 10.46   | 212,446              | 2,208,536     | 0.32%                              | 1.10%              | 1.80%   | (9.74%)           | (9.10%)  |
| 2017  | 11.34                   | 11.51   | 158,908              | 1,820,057     | 0.79%                              | 1.10%              | 1.80%   | 15.57%            | 16.21%   |
| <b>First Trust Multi Income Allocation Class I</b>                    |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$13.22                 | \$13.74 | 74,804               | \$1,017,541   | 2.39%                              | 0.30%              | 1.70%   | 10.79%            | 12.35%   |
| 2020  | 11.94                   | 12.34   | 63,213               | 771,686       | 1.99%                              | 0.30%              | 1.70%   | 0.76%             | 2.18%    |
| 2019  | 11.85                   | 12.19   | 80,545               | 971,131       | 2.35%                              | 0.30%              | 1.70%   | 14.42%            | 16.03%   |
| 2018  | 10.30                   | 10.60   | 90,409               | 947,819       | 2.20%                              | 0.30%              | 1.70%   | (6.06%)           | (5.58%)  |
| 2017  | 11.02                   | 11.22   | 86,833               | 967,522       | 2.78%                              | 1.20%              | 1.70%   | 4.27%             | 4.79%    |
| <b>First Trust/Dow Jones Dividend &amp; Income Allocation Class I</b> |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$10.45                 | \$21.55 | 3,026,924            | \$56,180,043  | 0.95%                              | 0.30%              | 1.85%   | 10.19%            | 11.91%   |
| 2020  | 13.03                   | 19.31   | 2,926,944            | 49,629,227    | 1.49%                              | 0.30%              | 1.85%   | 5.83%             | 7.48%    |
| 2019  | 12.24                   | 18.02   | 3,070,545            | 49,008,538    | 1.58%                              | 0.30%              | 2.00%   | 18.56%            | 20.41%   |
| 2018  | 10.27                   | 15.01   | 3,032,496            | 40,667,962    | 1.64%                              | 0.30%              | 2.00%   | (6.81%)           | (5.20%)  |
| 2017  | 11.45                   | 15.89   | 2,532,740            | 36,444,153    | 1.33%                              | 0.30%              | 2.00%   | 11.23%            | 12.80%   |
| <b>Franklin Allocation VIP Class 2</b>                                |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$19.93                 | \$21.74 | 8,193                | \$173,825     | 1.73%                              | 0.75%              | 1.30%   | 10.24%            | 10.85%   |
| 2020  | 18.08                   | 19.61   | 7,811                | 149,542       | 1.44%                              | 0.75%              | 1.30%   | 10.30%            | 10.91%   |
| 2019  | 16.39                   | 17.68   | 7,481                | 129,136       | 3.61%                              | 0.75%              | 1.30%   | 18.31%            | 18.96%   |
| 2018  | 13.85                   | 14.87   | 7,050                | 102,361       | 2.75%                              | 0.75%              | 1.30%   | (10.82%)          | (10.33%) |
| 2017  | 15.53                   | 17.58   | 13,976               | 228,817       | 2.72%                              | 0.75%              | 1.30%   | 10.54%            | 11.14%   |
| <b>Franklin Allocation VIP Class 4</b>                                |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$10.52                 | \$20.92 | 825,709              | \$14,177,915  | 1.57%                              | 0.30%              | 1.85%   | 9.49%             | 11.20%   |
| 2020  | 13.70                   | 19.06   | 809,881              | 12,820,083    | 1.32%                              | 0.30%              | 1.85%   | 9.70%             | 11.42%   |
| 2019  | 12.30                   | 17.33   | 745,663              | 10,820,775    | 3.41%                              | 0.30%              | 1.85%   | 17.37%            | 19.08%   |
| 2018  | 11.31                   | 14.73   | 859,343              | 10,570,813    | 2.88%                              | 0.40%              | 1.95%   | (11.25%)          | (9.94%)  |
| 2017  | 12.72                   | 16.96   | 1,000,260            | 13,823,833    | 2.55%                              | 0.40%              | 1.95%   | 9.63%             | 11.33%   |
| <b>Franklin Income VIP Class 2</b>                                    |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$13.05                 | \$14.49 | 830,074              | \$11,293,268  | 4.66%                              | 0.30%              | 1.85%   | 14.62%            | 16.40%   |
| 2020  | 11.38                   | 12.45   | 844,312              | 9,958,175     | 5.75%                              | 0.30%              | 1.85%   | (1.15%)           | 0.39%    |
| 2019  | 11.52                   | 12.40   | 979,117              | 11,608,410    | 5.60%                              | 0.30%              | 1.85%   | 13.93%            | 14.79%   |
| 2018  | 10.11                   | 10.39   | 891,650              | 9,219,075     | 4.79%                              | 1.10%              | 1.85%   | (5.93%)           | (5.36%)  |
| 2017  | 10.80                   | 10.98   | 793,586              | 8,682,982     | 4.10%                              | 1.10%              | 1.85%   | 7.83%             | 8.48%    |
| <b>Franklin Mutual Global Discovery VIP Class 2</b>                   |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$15.51                 | \$22.82 | 279,626              | \$4,924,319   | 2.56%                              | 0.30%              | 1.85%   | 16.95%            | 18.24%   |
| 2020  | 13.24                   | 19.30   | 350,404              | 5,233,294     | 2.30%                              | 0.40%              | 1.85%   | (6.21%)           | (4.84%)  |
| 2019  | 14.10                   | 20.35   | 370,073              | 5,739,296     | 1.55%                              | 0.40%              | 1.85%   | 22.09%            | 23.87%   |
| 2018  | 11.53                   | 16.49   | 420,931              | 5,282,704     | 2.40%                              | 0.40%              | 1.85%   | (12.85%)          | (11.57%) |
| 2017  | 13.21                   | 18.71   | 450,861              | 6,423,626     | 1.75%                              | 0.40%              | 1.85%   | 6.61%             | 8.17%    |
| <b>Franklin Rising Dividends VIP Class 2</b>                          |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$21.40                 | \$30.39 | 522,340              | \$14,450,250  | 0.84%                              | 0.30%              | 1.85%   | 24.47%            | 26.41%   |
| 2020  | 16.96                   | 24.24   | 583,366              | 12,891,097    | 1.24%                              | 0.30%              | 1.85%   | 13.84%            | 15.62%   |
| 2019  | 14.70                   | 21.13   | 664,783              | 12,873,709    | 1.23%                              | 0.30%              | 1.85%   | 26.86%            | 28.84%   |
| 2018  | 11.43                   | 16.53   | 711,971              | 10,793,957    | 1.26%                              | 0.30%              | 1.85%   | (6.82%)           | (5.55%)  |
| 2017  | 12.10                   | 17.61   | 728,274              | 11,848,239    | 1.56%                              | 0.40%              | 1.85%   | 18.36%            | 19.66%   |
| <b>Templeton Global Bond VIP Class 2</b>                              |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$8.12                  | \$11.24 | 643,218              | \$5,510,416   | 0.00%                              | 0.30%              | 1.85%   | (6.73%)           | (5.28%)  |
| 2020  | 8.70                    | 11.92   | 693,142              | 6,300,589     | 8.27%                              | 0.30%              | 1.85%   | (7.02%)           | (5.56%)  |
| 2019  | 9.34                    | 12.67   | 825,399              | 8,011,967     | 7.17%                              | 0.30%              | 1.85%   | 0.14%             | 1.71%    |
| 2018  | 9.26                    | 12.52   | 900,481              | 8,655,798     | 0.00%                              | 0.30%              | 1.85%   | 0.06%             | 1.53%    |
| 2017  | 9.29                    | 12.37   | 814,692              | 7,787,246     | 0.00%                              | 0.40%              | 1.85%   | 0.06%             | 1.52%    |

**SEPARATE ACCOUNT A  
FINANCIAL HIGHLIGHTS (Continued)**

| Variable Accounts<br>For Each Year                              | At the End of Each Year |         |                      |               | Investment<br>Income<br>Ratios (2) | Expense Ratios (3) |         | Total Returns (4) |          |
|---|-------------------------|---------|----------------------|---------------|------------------------------------|--------------------|---------|-------------------|----------|
|   | AUV (1)                 |         | Units<br>Outstanding | Net<br>Assets |                                    | Lowest             | Highest | Lowest            | Highest  |
|   | Lowest                  | Highest |                      |               |                                    |                    |         |                   |          |
| <b>Ivy VIP Asset Strategy Class II</b>                          |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$10.55                 | \$13.66 | 87,953               | \$1,153,117   | 2.17%                              | 1.15%              | 1.70%   | 8.58%             | 9.12%    |
| 2020  | 12.11                   | 12.52   | 50,094               | 623,786       | 1.43%                              | 1.15%              | 1.70%   | 11.96%            | 12.52%   |
| 2019  | 10.82                   | 11.13   | 49,762               | 550,600       | 1.05%                              | 1.15%              | 1.80%   | 19.73%            | 20.33%   |
| 2018  | 8.99                    | 9.27    | 196,258              | 1,808,207     | 3.43%                              | 1.15%              | 1.80%   | (7.04%)           | (6.57%)  |
| 2017  | 9.72                    | 9.90    | 48,664               | 479,573       | 1.51%                              | 1.10%              | 1.70%   | 16.29%            | 16.87%   |
| <b>Ivy VIP Energy Class II</b>                                  |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$4.48                  | \$5.10  | 416,003              | \$1,926,730   | 1.59%                              | 0.50%              | 1.80%   | 39.61%            | 41.29%   |
| 2020  | 3.23                    | 3.61    | 319,995              | 1,060,547     | 2.19%                              | 0.50%              | 1.70%   | (37.90%)          | (37.15%) |
| 2019  | 5.21                    | 5.75    | 204,128              | 1,082,752     | 0.00%                              | 0.50%              | 1.70%   | 1.73%             | 2.96%    |
| 2018  | 5.12                    | 5.58    | 146,296              | 760,664       | 0.00%                              | 0.50%              | 1.70%   | (35.26%)          | (34.47%) |
| 2017  | 7.90                    | 8.52    | 117,349              | 937,828       | 0.90%                              | 0.50%              | 1.80%   | (14.11%)          | (13.60%) |
| <b>Janus Henderson Balanced Service Shares</b>                  |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$10.95                 | \$25.02 | 21,201,007           | \$458,561,186 | 0.69%                              | 0.30%              | 1.85%   | 14.77%            | 16.56%   |
| 2020  | 14.81                   | 21.48   | 18,083,049           | 345,115,466   | 1.56%                              | 0.30%              | 1.85%   | 11.94%            | 13.69%   |
| 2019  | 13.21                   | 18.92   | 15,309,411           | 260,453,551   | 1.70%                              | 0.30%              | 1.85%   | 20.03%            | 21.91%   |
| 2018  | 11.00                   | 15.53   | 12,958,585           | 182,599,624   | 1.79%                              | 0.30%              | 1.85%   | (1.42%)           | 0.13%    |
| 2017  | 11.14                   | 15.53   | 10,638,675           | 151,440,849   | 1.43%                              | 0.30%              | 1.85%   | 15.98%            | 17.78%   |
| <b>Janus Henderson Flexible Bond Service Shares</b>             |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$10.96                 | \$11.99 | 282,188              | \$3,244,916   | 1.85%                              | 0.30%              | 1.85%   | (2.93%)           | (1.41%)  |
| 2020  | 11.29                   | 12.17   | 221,172              | 2,599,800     | 2.45%                              | 0.30%              | 1.85%   | 8.23%             | 9.92%    |
| 2019  | 10.43                   | 11.07   | 187,412              | 2,018,458     | 2.86%                              | 0.30%              | 1.85%   | 7.27%             | 8.95%    |
| 2018  | 9.73                    | 10.16   | 183,288              | 1,829,603     | 2.65%                              | 0.30%              | 1.85%   | (3.11%)           | (1.58%)  |
| 2017  | 10.04                   | 10.32   | 185,639              | 1,900,840     | 2.64%                              | 0.30%              | 1.85%   | 1.46%             | 2.12%    |
| <b>JPMorgan Insurance Trust Global Allocation Class 2</b>       |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$14.28                 | \$15.97 | 37,215               | \$546,773     | 0.79%                              | 0.50%              | 1.85%   | 7.26%             | 8.72%    |
| 2020  | 13.32                   | 14.69   | 33,556               | 455,934       | 1.41%                              | 0.50%              | 1.85%   | 13.57%            | 14.02%   |
| 2019  | 11.89                   | 12.12   | 17,563               | 211,437       | 1.77%                              | 1.15%              | 1.60%   | 14.73%            | 15.19%   |
| 2018  | 10.37                   | 10.54   | 55,128               | 578,348       | 0.00%                              | 1.15%              | 1.85%   | (7.81%)           | (7.39%)  |
| 2017  | 11.17                   | 11.38   | 73,315               | 826,493       | 1.59%                              | 1.15%              | 1.85%   | 15.00%            | 15.51%   |
| <b>JPMorgan Insurance Trust Income Builder Class 2</b>          |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$12.58                 | \$13.10 | 90,430               | \$1,167,529   | 2.57%                              | 1.10%              | 1.70%   | 6.39%             | 7.03%    |
| 2020  | 11.83                   | 12.23   | 97,785               | 1,182,157     | 3.36%                              | 1.10%              | 1.70%   | 3.54%             | 4.06%    |
| 2019  | 11.49                   | 11.76   | 81,472               | 952,857       | 3.11%                              | 1.10%              | 1.60%   | 12.45%            | 13.02%   |
| 2018  | 10.21                   | 10.40   | 75,767               | 784,951       | 0.00%                              | 1.10%              | 1.60%   | (6.43%)           | (5.96%)  |
| 2017  | 10.92                   | 11.06   | 95,748               | 1,056,138     | 2.96%                              | 1.10%              | 1.60%   | 9.94%             | 10.49%   |
| <b>ClearBridge Variable Aggressive Growth - Class II</b>        |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$15.25                 | \$17.01 | 87,945               | \$1,385,391   | 0.17%                              | 0.30%              | 1.85%   | 8.08%             | 9.71%    |
| 2020  | 14.15                   | 15.50   | 48,591               | 707,537       | 0.60%                              | 0.30%              | 1.80%   | 15.63%            | 17.38%   |
| 2019  | 12.24                   | 13.21   | 46,657               | 584,246       | 0.79%                              | 0.30%              | 1.80%   | 22.52%            | 24.37%   |
| 2018  | 9.99                    | 10.62   | 44,316               | 450,158       | 0.45%                              | 0.30%              | 1.80%   | (10.21%)          | (8.84%)  |
| 2017  | 11.13                   | 11.65   | 24,052               | 270,438       | 0.34%                              | 0.30%              | 1.80%   | 13.92%            | 14.72%   |
| <b>Lord Abnett Bond Debenture Class VC</b>                      |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$13.00                 | \$15.77 | 448,435              | \$6,380,824   | 3.17%                              | 0.30%              | 1.85%   | 1.38%             | 2.97%    |
| 2020  | 12.76                   | 15.33   | 371,185              | 5,174,304     | 3.63%                              | 0.30%              | 1.85%   | 5.34%             | 6.98%    |
| 2019  | 11.85                   | 14.34   | 477,216              | 6,243,103     | 5.29%                              | 0.30%              | 1.85%   | 11.28%            | 13.01%   |
| 2018  | 10.55                   | 12.70   | 299,033              | 3,490,385     | 4.43%                              | 0.30%              | 1.85%   | (5.74%)           | (4.31%)  |
| 2017  | 11.03                   | 13.29   | 255,851              | 3,154,381     | 4.86%                              | 0.30%              | 1.85%   | 7.27%             | 8.78%    |
| <b>Lord Abnett Total Return Class VC</b>                        |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$11.01                 | \$14.37 | 586,358              | \$7,001,997   | 1.89%                              | 0.30%              | 1.85%   | (2.07%)           | (0.54%)  |
| 2020  | 11.24                   | 14.51   | 556,459              | 6,751,459     | 2.40%                              | 0.30%              | 1.85%   | 5.46%             | 7.10%    |
| 2019  | 10.66                   | 13.61   | 554,177              | 6,344,069     | 2.66%                              | 0.30%              | 1.85%   | 6.42%             | 8.08%    |
| 2018  | 10.01                   | 12.65   | 584,543              | 6,235,400     | 3.24%                              | 0.30%              | 1.85%   | (2.85%)           | (1.77%)  |
| 2017  | 10.31                   | 12.88   | 533,530              | 5,834,530     | 3.25%                              | 0.40%              | 1.85%   | 1.97%             | 3.09%    |
| <b>MFS Massachusetts Investors Growth Stock - Service Class</b> |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021  | \$26.96                 | \$27.33 | 27,000               | \$735,319     | 0.03%                              | 0.75%              | 0.95%   | 24.47%            | 24.72%   |
| 2020  | 21.66                   | 21.91   | 31,066               | 678,690       | 0.23%                              | 0.75%              | 0.95%   | 21.04%            | 21.29%   |
| 2019  | 17.90                   | 18.07   | 38,834               | 699,323       | 0.34%                              | 0.75%              | 0.95%   | 38.26%            | 38.54%   |
| 2018  | 12.94                   | 13.04   | 43,971               | 572,076       | 0.33%                              | 0.75%              | 0.95%   | (0.38%)           | (0.18%)  |
| 2017  | 12.99                   | 13.06   | 50,414               | 657,490       | 0.41%                              | 0.75%              | 0.95%   | 26.89%            | 27.15%   |



**SEPARATE ACCOUNT A**  
**FINANCIAL HIGHLIGHTS (Continued)**

| Variable Accounts<br>For Each Year or Period                        | At the End of Each Year or Period |         |             |              | Investment<br>Income<br>Ratios (2) | Expense Ratios (3) |         | Total Returns (4) |          |
|---|-----------------------------------|---------|-------------|--------------|------------------------------------|--------------------|---------|-------------------|----------|
|   | AUV (1)                           |         | Units       | Net          |                                    | Lowest             | Highest | Lowest            | Highest  |
|   | Lowest                            | Highest | Outstanding | Assets       |                                    |                    |         |                   |          |
| <b>MFS Total Return Series - Service Class</b>                      |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021  | \$10.42                           | \$22.39 | 2,115,821   | \$39,058,927 | 1.64%                              | 0.30%              | 1.85%   | 11.75%            | 13.38%   |
| 2020  | 12.80                             | 19.80   | 2,036,187   | 33,901,742   | 2.10%                              | 0.40%              | 1.85%   | 7.51%             | 9.08%    |
| 2019  | 11.84                             | 18.21   | 2,058,464   | 31,763,722   | 2.10%                              | 0.40%              | 1.85%   | 17.92%            | 19.64%   |
| 2018  | 9.98                              | 15.28   | 2,267,268   | 29,731,199   | 1.94%                              | 0.40%              | 1.85%   | (7.61%)           | (6.25%)  |
| 2017  | 11.28                             | 16.36   | 2,477,766   | 35,321,067   | 2.23%                              | 0.40%              | 1.85%   | 9.98%             | 11.58%   |
| <b>MFS Utilities Series - Service Class</b>                         |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021  | \$16.86                           | \$19.86 | 267,962     | \$4,742,961  | 1.52%                              | 0.30%              | 1.85%   | 11.74%            | 13.48%   |
| 2020  | 15.06                             | 18.56   | 272,754     | 4,308,866    | 2.13%                              | 0.30%              | 1.85%   | 3.68%             | 5.20%    |
| 2019  | 14.41                             | 17.65   | 301,907     | 4,580,547    | 3.80%                              | 0.40%              | 1.85%   | 22.51%            | 24.30%   |
| 2018  | 11.75                             | 14.20   | 319,407     | 3,929,868    | 0.85%                              | 0.40%              | 1.85%   | (1.05%)           | 0.41%    |
| 2017  | 11.87                             | 14.14   | 306,656     | 3,816,485    | 4.22%                              | 0.40%              | 1.85%   | 12.40%            | 14.04%   |
| <b>MFS Value Series - Service Class</b>                             |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021  | \$29.35                           | \$36.46 | 32,921      | \$1,032,660  | 1.15%                              | 0.75%              | 1.30%   | 23.54%            | 24.22%   |
| 2020  | 23.76                             | 29.35   | 40,249      | 1,021,212    | 1.39%                              | 0.75%              | 1.30%   | 1.89%             | 2.45%    |
| 2019  | 23.32                             | 28.65   | 42,088      | 1,041,862    | 1.90%                              | 0.75%              | 1.30%   | 27.83%            | 28.54%   |
| 2018  | 18.24                             | 22.29   | 44,709      | 863,397      | 1.33%                              | 0.75%              | 1.30%   | (11.52%)          | (11.03%) |
| 2017  | 20.61                             | 25.05   | 47,175      | 1,024,561    | 1.81%                              | 0.75%              | 1.30%   | 15.84%            | 16.47%   |
| <b>Neuberger Berman U.S. Equity Index PutWrite Strategy Class S</b> |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021  | \$13.07                           | \$13.24 | 8,121       | \$107,066    | 0.23%                              | 1.20%              | 1.40%   | 16.30%            | 16.54%   |
| 2020  | 11.24                             | 11.36   | 14,890      | 168,817      | 0.86%                              | 1.20%              | 1.40%   | 6.75%             | 6.97%    |
| 2019  | 10.53                             | 10.62   | 14,644      | 155,272      | 0.16%                              | 1.20%              | 1.40%   | 13.66%            | 13.88%   |
| 2018  | 9.26                              | 9.32    | 14,517      | 135,201      | 0.00%                              | 1.20%              | 1.40%   | (8.09%)           | (7.90%)  |
| 2017  | 10.08                             | 10.12   | 5,065       | 51,168       | 0.00%                              | 1.20%              | 1.40%   | 5.20%             | 5.20%    |
| <b>PIMCO All Asset - Advisor Class</b>                              |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021  | \$13.94                           | \$14.04 | 16,590      | \$232,539    | 10.93%                             | 1.20%              | 1.65%   | 14.31%            | 14.66%   |
| 06/01/2020 - 12/31/2020   | 12.22                             | 12.25   | 10,124      | 123,977      | 4.31%                              | 1.20%              | 1.50%   | 16.16%            | 16.36%   |
| <b>PIMCO CommodityRealReturn Strategy - Advisor Class</b>           |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021  | \$6.57                            | \$13.03 | 121,791     | \$912,209    | 4.35%                              | 0.30%              | 1.85%   | 30.67%            | 32.71%   |
| 2020  | 5.03                              | 9.82    | 72,940      | 404,040      | 6.21%                              | 0.30%              | 1.85%   | (0.63%)           | 0.07%    |
| 2019  | 5.06                              | 5.61    | 90,377      | 497,928      | 4.29%                              | 1.10%              | 1.85%   | 9.31%             | 10.08%   |
| 2018  | 4.63                              | 5.10    | 49,491      | 248,874      | 1.93%                              | 1.10%              | 1.85%   | (15.78%)          | (15.15%) |
| 2017  | 5.50                              | 6.01    | 51,362      | 303,518      | 11.43%                             | 0.40%              | 1.85%   | 0.18%             | 0.93%    |
| <b>PIMCO Income - Advisor Class</b>                                 |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021  | \$11.18                           | \$11.38 | 122,952     | \$1,381,349  | 2.83%                              | 0.30%              | 1.65%   | 0.48%             | 1.49%    |
| 06/01/2020 - 12/31/2020   | 11.10                             | 11.20   | 33,645      | 375,263      | 2.92%                              | 0.40%              | 1.65%   | 7.85%             | 7.85%    |
| <b>Schwab VIT Balanced</b>  |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021  | \$15.70                           | \$15.70 | 320,556     | \$5,032,331  | 1.32%                              | 0.60%              | 0.60%   | 7.54%             | 7.54%    |
| 2020  | 14.60                             | 14.60   | 338,208     | 4,937,141    | 1.89%                              | 0.60%              | 0.60%   | 7.58%             | 7.58%    |
| 2019  | 13.57                             | 13.57   | 289,601     | 3,929,665    | 1.56%                              | 0.60%              | 0.60%   | 13.56%            | 13.56%   |
| 2018  | 11.95                             | 11.95   | 249,889     | 2,985,903    | 1.37%                              | 0.60%              | 0.60%   | (5.21%)           | (5.21%)  |
| 2017  | 12.61                             | 12.61   | 256,452     | 3,232,698    | 1.17%                              | 0.60%              | 0.60%   | 9.35%             | 9.35%    |
| <b>Schwab VIT Balanced with Growth</b>                              |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021  | \$18.25                           | \$18.25 | 477,854     | \$8,718,882  | 1.34%                              | 0.60%              | 0.60%   | 10.76%            | 10.76%   |
| 2020  | 16.47                             | 16.47   | 530,580     | 8,740,754    | 2.03%                              | 0.60%              | 0.60%   | 9.43%             | 9.43%    |
| 2019  | 15.05                             | 15.05   | 564,874     | 8,503,866    | 1.87%                              | 0.60%              | 0.60%   | 17.34%            | 17.34%   |
| 2018  | 12.83                             | 12.83   | 581,801     | 7,464,217    | 1.51%                              | 0.60%              | 0.60%   | (7.26%)           | (7.26%)  |
| 2017  | 13.83                             | 13.83   | 606,042     | 8,384,234    | 1.38%                              | 0.60%              | 0.60%   | 13.02%            | 13.02%   |
| <b>Schwab VIT Growth</b>  |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021  | \$21.01                           | \$21.01 | 223,031     | \$4,686,910  | 1.32%                              | 0.60%              | 0.60%   | 13.98%            | 13.98%   |
| 2020  | 18.44                             | 18.44   | 251,894     | 4,644,075    | 2.01%                              | 0.60%              | 0.60%   | 10.67%            | 10.67%   |
| 2019  | 16.66                             | 16.66   | 289,593     | 4,824,304    | 1.83%                              | 0.60%              | 0.60%   | 20.12%            | 20.12%   |
| 2018  | 13.87                             | 13.87   | 334,031     | 4,632,531    | 2.17%                              | 0.60%              | 0.60%   | (8.91%)           | (8.91%)  |
| 2017  | 15.22                             | 15.22   | 369,064     | 5,618,767    | 1.35%                              | 0.60%              | 0.60%   | 16.44%            | 16.44%   |
| <b>State Street Total Return V.I.S. Class 3</b>                     |                                   |         |             |              |                                    |                    |         |                   |          |
| 2021  | \$10.43                           | \$26.97 | 955,868     | \$18,323,032 | 1.85%                              | 0.30%              | 2.00%   | 10.96%            | 12.86%   |
| 2020  | 12.06                             | 23.92   | 1,018,022   | 17,562,108   | 1.59%                              | 0.30%              | 2.00%   | 4.04%             | 5.82%    |
| 2019  | 11.51                             | 22.63   | 1,121,297   | 18,687,701   | 2.04%                              | 0.30%              | 2.00%   | 13.28%            | 15.22%   |
| 2018  | 10.09                             | 19.66   | 1,287,844   | 18,863,671   | 1.80%                              | 0.30%              | 2.00%   | (8.47%)           | (6.98%)  |
| 2017  | 12.58                             | 21.13   | 1,462,507   | 23,731,917   | 1.68%                              | 0.40%              | 2.00%   | 12.99%            | 14.81%   |

**SEPARATE ACCOUNT A**  
**FINANCIAL HIGHLIGHTS (Continued)**

| Variable Accounts<br>For Each Year         | At the End of Each Year |         |                      |               | Investment<br>Income<br>Ratios (2) | Expense Ratios (3) |         | Total Returns (4) |          |
|--|-------------------------|---------|----------------------|---------------|------------------------------------|--------------------|---------|-------------------|----------|
|  | AUV (1)                 |         | Units<br>Outstanding | Net<br>Assets |                                    | Lowest             | Highest | Lowest            | Highest  |
|  | Lowest                  | Highest |                      |               |                                    |                    |         |                   |          |
| <b>VanEck VIP Global Resources Class S</b> |                         |         |                      |               |                                    |                    |         |                   |          |
| 2021                                       | \$7.76                  | \$10.57 | 193,779              | \$1,643,060   | 0.33%                              | 0.30%              | 1.80%   | 16.68%            | 18.32%   |
| 2020                                       | 6.74                    | 8.93    | 135,896              | 991,527       | 0.72%                              | 0.30%              | 1.70%   | 16.82%            | 18.47%   |
| 2019                                       | 5.77                    | 7.54    | 155,799              | 972,038       | 0.00%                              | 0.30%              | 1.70%   | 9.67%             | 11.21%   |
| 2018                                       | 5.26                    | 6.78    | 143,414              | 811,546       | 0.00%                              | 0.30%              | 1.70%   | (29.64%)          | (28.64%) |
| 2017                                       | 7.47                    | 9.50    | 155,453              | 1,245,028     | 0.00%                              | 0.30%              | 1.80%   | (3.62%)           | (2.90%)  |

- (1) The AUV is presented as a range from lowest to highest based on the ending AUV for all product groupings as of December 31 of each year or period ended. The lowest and highest AUV may be the same for a variable account if there is only one product which had investments at the end of the year or period.
- (2) The investment income ratios represent the dividends, excluding distributions of capital gains, received by the variable accounts from the underlying portfolios, divided by the average daily net assets (See Note 3 in Notes to Financial Statements). These ratios exclude those expenses, such as mortality and expense risk ("M&E") fees, administrative fees, and additional death benefit rider charges, if any, that are assessed against contract owner accounts, either through reductions in the unit values or the redemption of units. The recognition of investment income by the variable accounts is affected by the timing of the declaration of dividends by the underlying portfolios in which the variable accounts invest. The investment income ratios for periods of less than one full year are annualized.
- (3) The expense ratios represent annualized contract fees and expenses of the Separate Account divided by the average daily net assets for each period indicated. These ratios include only those expenses that result in a direct reduction of unit values. Excluded are expenses of the underlying portfolios in which the variable accounts invest and charges made directly to contract owner accounts through the redemption of units (See Note 4 in Notes to Financial Statements). The expense ratios are presented as a range of lowest to highest based on the product groupings. The expense ratios for periods of less than one full year are annualized.
- (4) Total returns reflect changes in unit values of the underlying portfolios and deductions for M&E fees, administrative fees, and additional death benefit rider charges, if any, assessed through the daily AUV calculation. These fees and charges are assessed at annual rates ranging from 0.30% to 2.00% based on the average daily net assets of each variable account as discussed in Note 4 in Notes to Financial Statements. Total returns do not include deductions at the separate account or contract level for any premium loads, maintenance fees, premium tax charges, withdrawal and surrender charges, charges for other optional benefit riders, or other charges that may be incurred under a contract which, if incurred, would have resulted in lower returns. Total returns are presented as a range from lowest to highest values based on the product grouping representing the minimum to maximum expense ratio amounts. Total returns for those contracts which commenced operations subsequent to the beginning of the year or period indicated for each variable account may not be within the ranges presented, and these contracts are excluded when calculating the total returns from lowest to highest as presented in the table. Total returns are calculated for each period indicated and are not annualized for periods of less than one full year.
- (5) Operations commenced or resumed during 2021 (See Note 1 in Notes to Financial Statements).

**SEPARATE ACCOUNT A  
NOTES TO FINANCIAL STATEMENTS**

**1. ORGANIZATION**

The Separate Account A (the "Separate Account") of Pacific Life & Annuity Company ("PL&A") is registered as a unit investment trust under the Investment Company Act of 1940, as amended. The Separate Account consists of subaccounts (each, a "Variable Account" and collectively, the "Variable Accounts") which invest in shares of corresponding portfolios (each, a "Portfolio" and collectively, the "Portfolios") of registered investment management companies (each, a "Fund" and collectively, the "Funds"). As of December 31, 2021, the Fund investment options are Pacific Select Fund (See Note 4), AIM Variable Insurance Funds (Invesco Variable Insurance Funds), American Century Variable Portfolios, Inc., American Funds Insurance Series®, BlackRock Variable Series Funds, Inc., BlackRock Variable Series Fund II, Inc., DFA Investment Dimensions Group Inc., Fidelity Variable Insurance Products Funds, First Trust Variable Insurance Trust, Franklin Templeton Variable Insurance Products Trust, Goldman Sachs Variable Insurance Trust, Ivy Variable Insurance Portfolios, Janus Aspen Series, JPMorgan Insurance Trust, Legg Mason Partners Variable Equity Trust, Lord Abbett Series Fund, Inc., MFS Variable Insurance Trust, MFS Variable Insurance Trust II, Neuberger Berman Advisers Management Trust, Northern Lights Variable Trust, PIMCO Variable Insurance Trust, Schwab Annuity Portfolios, State Street Variable Insurance Series Funds, Inc., T. Rowe Price Equity Series, Inc., Van Eck VIP Trust, and Vanguard Variable Insurance Fund. The Variable Accounts which have not commenced operations as of December 31, 2021 are not presented in this annual report.

Each of the Portfolios pursues different investment objectives and policies. The financial statements of the Funds, including the schedules of investments, are provided separately and should be read in conjunction with the Separate Account's financial statements.

The following Variable Accounts changed names during 2021:

| Currently Named   | Formerly Named   |
|---|--|
| Invesco V.I. Global Series II                             | Invesco Oppenheimer V.I. Global Series II                      |
| American Funds IS Capital World Growth and Income Class 4 | American Funds IS Global Growth and Income Fund Class 4        |
| American Funds IS American High-Income Trust Class 4      | American Funds IS High-Income Bond Class 4                     |
| American Funds IS The Bond Fund of America Class 4        | American Funds IS Bond Class 4                                 |
| American Funds IS U.S. Government Securities Class 4      | American Funds IS U.S. Government/AAA-Rated Securities Class 4 |
| American Funds IS Washington Mutual Investors Class 4     | American Funds IS Blue Chip Income & Growth Class 4            |
| VanEck VIP Global Resources Class S                       | VanEck VIP Global Hard Assets Class S                          |

The following Variable Accounts commenced or resumed operations during 2021:

| Variable Accounts            | Commenced<br>or Resumed<br>Operations on | Variable Accounts              | Commenced<br>or Resumed<br>Operations on |
|------------------------------|--|--------------------------------|--|
| Hedged Equity Class I        | May 26, 2021                             | ESG Diversified Class I        | June 14, 2021                            |
| International Growth Class I | December 14, 2021                        | ESG Diversified Growth Class I | December 20, 2021                        |

On April 30, 2020, the Inflation Strategy Class I and Currency Strategies Class I Variable Accounts were liquidated. Any units that remained in each of these Variable Accounts after the close of business on the liquidation dates were transferred to the Fidelity VIP Government Money Market Service Class Variable Account. Such transfers were based on the applicable Variable Accounts' accumulation unit values and the relative net asset values of the respective Portfolios as of the close of the business of the liquidation dates. Because these two Variable Accounts were liquidated prior to December 31, 2020, no other information for these Variable Accounts are included in this annual report.

On June 1, 2020, the net assets of the PIMCO All Asset All Authority Portfolio (Advisor Class), the underlying Portfolio for the PIMCO All Asset All Authority - Advisor Class Variable Account, were transferred to the PIMCO All Asset Portfolio (Advisor Class), the underlying Portfolio for the PIMCO All Asset - Advisor Class Variable Account, through a reorganization. In connection with this reorganization, any units that remained in the PIMCO All Asset All Authority - Advisor Class Variable Account after the close of business on June 1, 2020 were transferred to the PIMCO All Asset - Advisor Class Variable Account. Such transfers were based on the applicable Variable Account accumulation unit values and the relative net asset values of the respective Portfolios, as of the close of business on June 1, 2020. The PIMCO All Asset All Authority - Advisor Class Variable Account is not included in this annual report.

Under applicable insurance law, the assets and liabilities of the Separate Account are clearly identified and distinguished from the other assets and liabilities of PL&A. The assets of the Separate Account will not be charged with any liabilities arising out of any other business conducted by PL&A, but the obligations of the Separate Account, including benefits related to variable annuity contracts, are obligations of PL&A.

The Separate Account funds individual flexible premium deferred variable annuity contracts (the "Contracts"). The investments of the Separate Account are carried at fair value.

**SEPARATE ACCOUNT A**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**2. SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of the significant accounting policies followed by the Separate Account in the preparation of its financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates. The Separate Account qualifies as an investment company under U.S. GAAP and follows the accounting and reporting guidance applicable to Investment Companies Topic of U.S. GAAP.

*A. Valuation of Investments*

Investments in shares of the Portfolios are valued at the reported net asset values of the respective Portfolios. Valuation of securities held by the Funds is discussed in the notes to their financial statements.

*B. Security Transactions and Income*

Transactions are recorded on the trade date. Realized gains and losses on sales of investments are determined on the basis of identified cost. Dividends and capital gains distributions, if any, from mutual fund investments are recorded on the ex-dividend date.

*C. Federal Income Taxes*

The operations of the Separate Account are included within the total operations of PL&A, which files income tax returns as part of the Pacific Mutual Holding Company consolidated federal income tax return. Under the current tax law, no federal income taxes are expected to be paid with respect to the operations of the Separate Account. PL&A will periodically review the status of this policy in the event of changes in the tax law.

*D. Contracts in Payout Period*

Net assets allocated to Contracts in payout period are computed, on a current basis, according to the Annuity 2000 Mortality Table or 2012 IAR Mortality Table depending on the year of annuitization. The assumed investment return is 4.0 percent. The mortality risk is fully borne by PL&A and may result in additional amounts being transferred into the Variable Accounts by PL&A to cover greater longevity of annuitants than expected. Conversely, if amounts allocated exceed the amounts required, transfers may be made to PL&A. These transfers, if any, are shown as adjustments to net assets allocated to contracts in payout (annuitization) period in the accompanying Statements of Changes in Net Assets.

**3. DIVIDENDS AND DISTRIBUTIONS FROM MUTUAL FUND INVESTMENTS**

All dividend and capital gain distributions, if any, received from the Portfolios are reinvested in additional full and fractional shares of the related Portfolios and are recorded by the Variable Accounts on the ex-dividend date.

Each of the Portfolios in the Pacific Select Fund is treated as a partnership for federal income tax purposes only (the "Partnership Portfolios"). The Partnership Portfolios are not required to distribute taxable income and capital gains for federal income tax purposes. Therefore, no dividend or capital gain distributions were received from any Portfolios in the Pacific Select Fund nor were they recorded by the applicable Variable Accounts in the Statements of Operations for the year ended December 31, 2021.

**4. CHARGES AND EXPENSES AND RELATED PARTY TRANSACTIONS**

PL&A deducts from the Separate Account daily charges for mortality and expense risks ("M&E") and administrative fees PL&A assumes, and additional death benefit rider charges, if applicable. Contracts funded by the Separate Account currently being sold or administered, along with their respective annual expense rates, are summarized in the following table. The mortality risk assumed by PL&A is the risk that the annuitant will live longer than predicted and will receive more annuity payments than anticipated. PL&A also assumes mortality risk in connection with any death benefit paid under the Contracts. The expense risk assumed is that expenses incurred in administering the Contracts and the Separate Account will exceed the amounts realized from fees and charges assessed against the Contracts. These charges are assessed daily at the following annual rates based on the average daily net assets of each Variable Account and result in a direct reduction in unit values. M&E fees and administrative fees are included in the Statements of Operations.

**SEPARATE ACCOUNT A**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**Death Benefit Options**

| <b>Pacific Advisory Contracts</b>  | <b>Standard Death Benefit</b>   | <b>With Return of Investment (ROI) Death Benefit Rider</b>  |   |  |  |
|--|---|---|---|--|--|
| M&E Charge   | 0.15%   | 0.15%   |   |  |  |
| Administrative Fee   | 0.15%   | 0.15%   |   |  |  |
| Platform Fee   | 0.15%   | 0.15%   |   |  |  |
| Death Benefit Rider Charge   | None  | 0.15%   |   |  |  |
| <b>Total Annual Expenses</b>   | <b>0.45%</b>  | <b>0.60%</b>  |   |  |  |
| <b>Pacific Choice Contracts (Without Stepped-Up Death Benefit II Rider Charge)</b> | <b>Standard Death Benefit With 5 Year Option</b>  | <b>Standard Death Benefit With 3 Year Option</b>            | <b>Standard Death Benefit With 0 Year Option</b>    |  |  |
| M&E Charge   | 0.95%   | 1.25%   | 1.35%   |  |  |
| Administrative Fee   | 0.25%   | 0.25%   | 0.25%   |  |  |
| <b>Total Annual Expenses</b>   | <b>1.20%</b>  | <b>1.50%</b>  | <b>1.60%</b>  |  |  |
| <b>Pacific Choice Contracts (With Stepped-Up Death Benefit II Rider Charge)</b>    | <b>Stepped-Up Death Benefit With 5 Year Option</b>                                      | <b>Stepped-Up Death Benefit With 3 Year Option</b>          | <b>Stepped-Up Death Benefit With 0 Year Option</b>  |  |  |
| M&E Charge   | 0.95%   | 1.25%   | 1.35%   |  |  |
| Administrative Fee   | 0.25%   | 0.25%   | 0.25%   |  |  |
| Death Benefit Rider Charge   | 0.20%   | 0.20%   | 0.20%   |  |  |
| <b>Total Annual Expenses</b>   | <b>1.40%</b>  | <b>1.70%</b>  | <b>1.80%</b>  |  |  |
| <b>Pacific Choice Income</b>   | <b>Standard Death Benefit</b>   | <b>With Return of Purchase Payments Death Benefit Rider</b> |   |  |  |
| M&E Charge   | 0.90%   | 0.90%   |   |  |  |
| Administrative Fee   | 0.25%   | 0.25%   |   |  |  |
| Death Benefit Rider Charge   | None  | 0.15%   |   |  |  |
| <b>Total Annual Expenses</b>   | <b>1.15%</b>  | <b>1.30%</b>  |   |  |  |
| <b>Pacific Destinations and Pacific Destination - O Series Contracts</b>           | <b>Standard Death Benefit</b>   | <b>With Stepped-Up Death Benefit Rider</b>                  | <b>With Stepped-Up Death Benefit II Rider</b>       |  |  |
| M&E Charge   | 0.60%   | 0.60%   | 0.60%   |  |  |
| Administrative Fee   | 0.15%   | 0.15%   | 0.15%   |  |  |
| Death Benefit Rider Charge   | None  | 0.20%   | 0.20%   |  |  |
| <b>Total Annual Expenses</b>   | <b>0.75%</b>  | <b>0.95%</b>  | <b>0.95%</b>  |  |  |
| <b>Pacific Destinations B Contracts</b>  | <b>Standard Death Benefit</b>   | <b>With Stepped-Up Death Benefit Rider</b>                  |   |  |  |
| M&E Charge   | 1.15%   | 1.15%   |   |  |  |
| Administrative Fee   | 0.15%   | 0.15%   |   |  |  |
| Death Benefit Rider Charge   | None  | 0.20%   |   |  |  |
| <b>Total Annual Expenses</b>   | <b>1.30%</b>  | <b>1.50%</b>  |   |  |  |
| <b>Pacific Journey Select Contracts</b>  | <b>Without Stepped-Up Death Benefit Rider and Four Year Withdrawal Charge Option</b>    | <b>With Stepped-Up Death Benefit Rider Only</b>             | <b>With Four Year Withdrawal Charge Option Only</b> | <b>With Stepped-Up Death Benefit Rider and Four Year Withdrawal Charge Option</b>    |  |
| M&E Charge   | 0.95%   | 0.95%   | 0.95%   | 0.95%  |  |
| Administrative Fee   | 0.15%   | 0.15%   | 0.15%   | 0.15%  |  |
| Death Benefit Rider Charge   | None  | 0.20%   | None  | 0.20%  |  |
| Four Year Withdrawal Charge  | None  | None  | 0.35%   | 0.35%  |  |
| <b>Total Annual Expenses</b>   | <b>1.10%</b>  | <b>1.30%</b>  | <b>1.45%</b>  | <b>1.65%</b>   |  |
| <b>Pacific Navigator Contracts</b>   | <b>Without Stepped-Up Death Benefit Rider II and Four Year Withdrawal Charge Option</b> | <b>With Stepped-Up Death Benefit Rider II Only</b>          | <b>With Four Year Withdrawal Charge Option Only</b> | <b>With Stepped-Up Death Benefit Rider II and Four Year Withdrawal Charge Option</b> |  |
| M&E Charge   | 1.05%   | 1.05%   | 1.05%   | 1.05%  |  |
| Administrative Fee   | 0.25%   | 0.25%   | 0.25%   | 0.25%  |  |
| Death Benefit Rider II Charge  | None  | 0.20%   | None  | 0.20%  |  |
| Four Year Withdrawal Charge  | None  | None  | 0.45%   | 0.45%  |  |
| <b>Total Annual Expenses</b>   | <b>1.30%</b>  | <b>1.50%</b>  | <b>1.75%</b>  | <b>1.95%</b>   |  |

**SEPARATE ACCOUNT A**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**Death Benefit Options**

| <b>Pacific Odyssey Contracts<br/>(issued on or after 12/1/2016)</b> | <b>Standard Death Benefit</b> | <b>With Stepped-Up<br/>Death Benefit Rider</b>                  |  |
|---|-------------------------------|---|--|
| M&E Charge  | 0.15%                         | 0.15%   |  |
| Administrative Fee  | 0.15%                         | 0.15%   |  |
| Death Benefit Rider Charge  | None                          | 0.20%   |  |
| Total Annual Expenses   | 0.30%                         | 0.50%   |  |
|   |                               |   |  |
| <b>Pacific Odyssey Contracts<br/>(issued prior to 12/1/2016)</b>    | <b>Standard Death Benefit</b> | <b>With Stepped-Up<br/>Death Benefit Rider</b>                  |  |
| M&E Charge  | 0.15%                         | 0.15%   |  |
| Administrative Fee  | 0.25%                         | 0.25%   |  |
| Death Benefit Rider Charge  | None                          | 0.20%   |  |
| Total Annual Expenses   | 0.40%                         | 0.60%   |  |
|   |                               |   |  |
| <b>Pacific One Select Contracts</b>                                 | <b>Standard Death Benefit</b> | <b>With Stepped-Up<br/>Death Benefit Rider</b>                  |  |
| M&E Charge  | 1.50%                         | 1.50%   |  |
| Administrative Fee  | 0.25%                         | 0.25%   |  |
| Death Benefit Rider Charge  | None                          | 0.20%   |  |
| Total Annual Expenses   | 1.75%                         | 1.95%   |  |
|   |                               |   |  |
| <b>Pacific Portfolios Contracts</b>                                 | <b>Standard Death Benefit</b> | <b>With Stepped-Up<br/>Death Benefit Rider</b>                  |  |
| M&E Charge  | 1.25%                         | 1.25%   |  |
| Administrative Fee  | 0.15%                         | 0.15%   |  |
| Death Benefit Rider Charge  | None                          | 0.20%   |  |
| Total Annual Expenses   | 1.40%                         | 1.60%   |  |
|   |                               |   |  |
| <b>Pacific Quest</b>  | <b>Standard Death Benefit</b> | <b>With Return of Purchase<br/>Payments Death Benefit Rider</b> | <b>With Stepped-Up<br/>Death Benefit Rider</b> |
| M&E Charge  | 0.70%                         | 0.70%   | 0.70%  |
| Administrative Fee  | 0.25%                         | 0.25%   | 0.25%  |
| Death Benefit Rider Charge  | None                          | 0.10%   | 0.40%  |
| Total Annual Expenses   | 0.95%                         | 1.05%   | 1.35%  |
|   |                               |   |  |
| <b>Pacific Value and<br/>Pacific Innovations Select Contracts</b>   | <b>Standard Death Benefit</b> | <b>With Stepped-Up<br/>Death Benefit Rider</b>                  |  |
| M&E Charge  | 1.40%                         | 1.40%   |  |
| Administrative Fee  | 0.25%                         | 0.25%   |  |
| Death Benefit Rider Charge  | None                          | 0.20%   |  |
| Total Annual Expenses   | 1.65%                         | 1.85%   |  |
|   |                               |   |  |
| <b>Pacific Value Edge Contracts</b>                                 | <b>Standard Death Benefit</b> | <b>With Stepped-Up<br/>Death Benefit Rider</b>                  |  |
| M&E Charge  | 1.55%                         | 1.55%   |  |
| Administrative Fee  | 0.25%                         | 0.25%   |  |
| Death Benefit Rider Charge  | None                          | 0.20%   |  |
| Total Annual Expenses   | 1.80%                         | 2.00%   |  |
|   |                               |   |  |
| <b>Pacific Value Select Contracts</b>                               | <b>Standard Death Benefit</b> | <b>With Stepped-Up<br/>Death Benefit Rider</b>                  |  |
| M&E Charge  | 1.45%                         | 1.45%   |  |
| Administrative Fee  | 0.15%                         | 0.15%   |  |
| Death Benefit Rider Charge  | None                          | 0.20%   |  |
| Total Annual Expenses   | 1.60%                         | 1.80%   |  |

**SEPARATE ACCOUNT A**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

| Death Benefit Options      |                        |  |  |
|----------------------------|------------------------|--|--|
| Pacific Voyages Contracts  | Standard Death Benefit | With Stepped-Up<br>Death Benefit Rider |  |
| M&E Charge                 | 1.00%                  | 1.00%                                  |  |
| Administrative Fee         | 0.15%                  | 0.15%                                  |  |
| Death Benefit Rider Charge | None                   | 0.20%                                  |  |
| Total Annual Expenses      | 1.15%                  | 1.35%                                  |  |

| Schwab Retirement Income<br>Variable Annuity Contracts | Standard Death Benefit | With Return of Purchase<br>Payments Death Benefit Rider | With Stepped-Up<br>Death Benefit Rider |
|--|------------------------|---|--|
| M&E Charge   | 0.35%                  | 0.35%   | 0.35%                                  |
| Administrative Fee                                     | 0.25%                  | 0.25%   | 0.25%                                  |
| Death Benefit Rider Charge                             | None                   | 0.20%   | 0.40%                                  |
| Total Annual Expenses                                  | 0.60%                  | 0.80%   | 1.00%                                  |

Under the Contracts, PL&A makes certain deductions from the net assets of each Variable Account through a redemption of units for maintenance fees, any other optional riders, any state premium taxes, and any withdrawal and surrender charges, and are shown as a decrease in net assets from contract owner transactions in the accompanying Statements of Changes in Net Assets. For certain Contracts, a surrender charge is imposed if the Contract is partially or fully surrendered within the specified surrender charge period and charges will vary depending on the individual Contract. Most Contracts offer optional benefits that can be added to the Contract by rider. The charges for riders can range depending on the individual contract. These fees and charges are assessed directly to each Contract owner account through a redemption of units. Withdrawal and surrender charges are included in contract benefits and terminations; and maintenance fees, any other optional benefit riders and state premium taxes are included in contract charges and deductions in the accompanying Statements of Changes in Net Assets. The operating expenses of the Separate Account are paid by PL&A and are not reflected in the accompanying financial statements.

In addition to charges and expenses described above, the Variable Accounts also indirectly bear a portion of the operating expenses of the applicable Portfolios in which they invest.

PL&A is a wholly-owned subsidiary of Pacific Life Insurance Company ("Pacific Life"). The assets of certain Variable Accounts invest in Class I or Class D shares of the corresponding Portfolios of the Pacific Select Fund ("PSF"). Each Portfolio of PSF pays an advisory fee to Pacific Life Fund Advisors LLC ("PLFA"), a wholly-owned subsidiary of Pacific Life, pursuant to PSF's Investment Advisory Agreement and pays a class-specific non-12b-1 service fee for class I shares and a class-specific 12b-1 distribution and service fee for class D shares to Pacific Select Distributors, LLC ("PSD"), also a wholly-owned subsidiary of Pacific Life, for providing shareholder servicing activities under PSF's non-12b-1 Service Plan and 12b-1 Distribution and Service Plan. Each Portfolio of PSF also compensates Pacific Life and PLFA on an approximate cost basis pursuant to PSF's Agreement for Support Services for providing services to PSF that are outside the scope of the Investment Adviser's responsibilities under the Investment Advisory Agreement. The advisory fee and distribution and/or service fee rates are disclosed in the notes to financial statements of PSF, which are provided separately. For the year ended December 31, 2021, PLFA received net advisory fees from the Portfolios of PSF at effective annual rates ranging from 0.05% to 0.90%, and PSD received a non-12b-1 service fee of 0.20% on Class I shares only and a 12b-1 service fee of 0.20% and a distribution fee of 0.05% on Class D shares only, all of which are based on the average daily net assets of each Portfolio.

**5. RELATED PARTY AGREEMENT**

PSD serves as principal underwriter of the Contracts funded by interests in the Separate Account, without remuneration from the Separate Account.

**6. FAIR VALUE MEASUREMENTS**

The Variable Accounts characterize their holdings in the Portfolios as Level 1, Level 2, or Level 3 based upon the various inputs or methodologies used to value the holdings. The three-tier hierarchy of inputs is summarized in the three broad levels listed below:

Level 1 – Quoted prices (unadjusted) in active markets for identical holdings

Level 2 – Significant observable market-based inputs, other than Level 1 quoted prices, or unobservable inputs that are corroborated by market data

Level 3 – Significant unobservable inputs that are not corroborated by observable market data

The inputs or methodologies used for valuing the Variable Accounts' holdings are not necessarily an indication of risks associated with investing in those holdings. As of December 31, 2021, the Variable Accounts' holdings as presented in the Investments section were all categorized as Level 1 under the three-tier hierarchy of inputs.

**SEPARATE ACCOUNT A**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**7. CHANGES IN UNITS OUTSTANDING**

The changes in units outstanding for the year or period ended December 31, 2021 and 2020 were as follows:

| Variable Accounts   | 2021         |                |                         | 2020         |                |                         |
|---|--------------|----------------|-------------------------|--------------|----------------|-------------------------|
|   | Units Issued | Units Redeemed | Net Increase (Decrease) | Units Issued | Units Redeemed | Net Increase (Decrease) |
| Core Income Class I                                       | 23,333       | (18,091)       | 5,242                   | 85,582       | (57,098)       | 28,484                  |
| Diversified Bond Class I                                  | 346,871      | (251,515)      | 95,356                  | 291,366      | (145,905)      | 145,461                 |
| Floating Rate Income Class I                              | 150,473      | (156,213)      | (5,740)                 | 72,475       | (243,167)      | (170,692)               |
| High Yield Bond Class I                                   | 73,039       | (55,847)       | 17,192                  | 71,047       | (79,455)       | (8,408)                 |
| Inflation Managed Class I                                 | 232,931      | (134,049)      | 98,882                  | 157,400      | (167,516)      | (10,116)                |
| Managed Bond Class I                                      | 185,863      | (251,755)      | (65,892)                | 574,788      | (602,714)      | (27,926)                |
| Short Duration Bond Class I                               | 386,976      | (297,646)      | 89,330                  | 383,694      | (419,595)      | (35,901)                |
| Emerging Markets Debt Class I                             | 29,300       | (20,389)       | 8,911                   | 71,155       | (62,581)       | 8,574                   |
| Dividend Growth Class I                                   | 183,576      | (133,704)      | 49,872                  | 156,341      | (168,496)      | (12,155)                |
| Equity Index Class I                                      | 865,539      | (565,571)      | 299,968                 | 998,238      | (886,153)      | 112,085                 |
| Focused Growth Class I                                    | 50,688       | (60,072)       | (9,384)                 | 147,040      | (100,870)      | 46,170                  |
| Growth Class I  | 67,895       | (57,509)       | 10,386                  | 94,900       | (132,982)      | (38,082)                |
| Hedged Equity Class I                                     | 559,017      | (2,787)        | 556,230                 |              |                |                         |
| Large-Cap Growth Class I                                  | 64,906       | (151,508)      | (86,602)                | 252,257      | (145,755)      | 106,502                 |
| Large-Cap Value Class I                                   | 90,187       | (74,130)       | 16,057                  | 77,809       | (40,945)       | 36,864                  |
| Main Street Core Class I                                  | 19,945       | (46,308)       | (26,363)                | 45,609       | (44,595)       | 1,014                   |
| Mid-Cap Equity Class I                                    | 71,857       | (50,162)       | 21,695                  | 34,141       | (67,753)       | (33,612)                |
| Mid-Cap Growth Class I                                    | 77,440       | (77,109)       | 331                     | 118,835      | (114,317)      | 4,518                   |
| Mid-Cap Value Class I                                     | 114,780      | (58,212)       | 56,568                  | 51,040       | (26,122)       | 24,918                  |
| Small-Cap Equity Class I                                  | 22,552       | (31,826)       | (9,274)                 | 26,671       | (27,649)       | (978)                   |
| Small-Cap Growth Class I                                  | 36,751       | (47,350)       | (10,599)                | 54,909       | (89,036)       | (34,127)                |
| Small-Cap Index Class I                                   | 178,452      | (100,057)      | 78,395                  | 121,733      | (149,868)      | (28,135)                |
| Small-Cap Value Class I                                   | 106,393      | (113,646)      | (7,253)                 | 53,887       | (43,332)       | 10,555                  |
| Value Class I   | 15,100       | (33,515)       | (18,415)                | 18,374       | (34,870)       | (16,496)                |
| Value Advantage Class I                                   | 128,204      | (35,683)       | 92,521                  | 30,611       | (19,836)       | 10,775                  |
| Emerging Markets Class I                                  | 91,170       | (87,636)       | 3,534                   | 49,842       | (109,379)      | (59,537)                |
| International Growth Class I                              | 1,001        | -              | 1,001                   |              |                |                         |
| International Large-Cap Class I                           | 59,361       | (45,408)       | 13,953                  | 54,905       | (56,223)       | (1,318)                 |
| International Small-Cap Class I                           | 12,870       | (14,104)       | (1,234)                 | 13,032       | (16,119)       | (3,087)                 |
| International Value Class I                               | 90,111       | (105,945)      | (15,834)                | 117,283      | (67,400)       | 49,883                  |
| Health Sciences Class I                                   | 153,456      | (120,720)      | 32,736                  | 171,324      | (178,503)      | (7,179)                 |
| Real Estate Class I                                       | 61,698       | (82,311)       | (20,613)                | 49,829       | (85,965)       | (36,136)                |
| Technology Class I  | 127,001      | (146,751)      | (19,750)                | 178,721      | (154,747)      | 23,974                  |
| ESG Diversified Class I                                   | 130,292      | (482)          | 129,810                 |              |                |                         |
| ESG Diversified Growth Class I                            | 775          | -              | 775                     |              |                |                         |
| PSF DFA Balanced Allocation Class D                       | 231,443      | (54,648)       | 176,795                 | 224,957      | (210,703)      | 14,254                  |
| Pacific Dynamix - Conservative Growth Class I             | 338,515      | (493,647)      | (155,132)               | 663,936      | (667,436)      | (3,500)                 |
| Pacific Dynamix - Moderate Growth Class I                 | 1,124,369    | (1,000,491)    | 123,878                 | 1,071,165    | (1,375,872)    | (304,707)               |
| Pacific Dynamix - Growth Class I                          | 2,218,321    | (294,844)      | 1,923,477               | 1,659,870    | (335,942)      | 1,323,928               |
| Portfolio Optimization Conservative Class I               | 1,131,286    | (1,263,412)    | (132,126)               | 1,816,589    | (1,586,576)    | 230,013                 |
| Portfolio Optimization Moderate-Conservative Class I      | 283,400      | (1,216,841)    | (933,441)               | 501,351      | (1,713,957)    | (1,212,606)             |
| Portfolio Optimization Moderate Class I                   | 1,217,704    | (3,517,573)    | (2,299,869)             | 1,370,212    | (4,458,513)    | (3,088,301)             |
| Portfolio Optimization Growth Class I                     | 588,756      | (2,370,441)    | (1,781,685)             | 632,408      | (2,799,330)    | (2,166,922)             |
| Portfolio Optimization Aggressive-Growth Class I          | 76,770       | (505,183)      | (428,413)               | 122,849      | (766,112)      | (643,263)               |
| Invesco Oppenheimer V.I. International Growth Series II   | 40,708       | (14,476)       | 26,232                  | 11,458       | (10,072)       | 1,386                   |
| Invesco V.I. Balanced-Risk Allocation Series II           | 149,435      | (164,649)      | (15,214)                | 179,857      | (225,726)      | (45,869)                |
| Invesco V.I. Equity and Income Series II                  | 39,955       | (16,594)       | 23,361                  | 9,360        | (18,334)       | (8,974)                 |
| Invesco V.I. Global Real Estate Series II                 | 66,525       | (19,284)       | 47,241                  | 11,102       | (54,483)       | (43,381)                |
| Invesco V.I. Global Series II                             | 17,693       | (11,982)       | 5,711                   | 4,017        | (25,731)       | (21,714)                |
| American Century VP Mid Cap Value Class II                | 33,081       | (33,021)       | 60                      | 30,247       | (65,084)       | (34,837)                |
| American Funds IS Asset Allocation Class 4                | 1,316,607    | (1,693,490)    | (376,883)               | 1,434,155    | (2,240,092)    | (805,937)               |
| American Funds IS Capital Income Builder Class 4          | 74,645       | (38,110)       | 36,535                  | 45,391       | (113,588)      | (68,197)                |
| American Funds IS Capital World Bond Class 4              | 34,095       | (14,149)       | 19,946                  | 39,179       | (63,569)       | (24,390)                |
| American Funds IS Capital World Growth and Income Class 4 | 40,171       | (16,571)       | 23,600                  | 15,138       | (10,848)       | 4,290                   |



**SEPARATE ACCOUNT A**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

| Variable Accounts  | 2021         |                |                         | 2020         |                |                         |
|--|--------------|----------------|-------------------------|--------------|----------------|-------------------------|
|  | Units Issued | Units Redeemed | Net Increase (Decrease) | Units Issued | Units Redeemed | Net Increase (Decrease) |
| American Funds IS Global Balanced Class 4                    | 53,656       | (100,926)      | (47,270)                | 112,378      | (68,699)       | 43,679                  |
| American Funds IS Global Growth Class 4                      | 35,324       | (57,250)       | (21,926)                | 70,395       | (36,090)       | 34,305                  |
| American Funds IS Global Small Capitalization Class 4        | 50,239       | (8,147)        | 42,092                  | 4,762        | (9,199)        | (4,437)                 |
| American Funds IS Growth Class 4                             | 384,516      | (316,423)      | 68,093                  | 491,032      | (320,851)      | 170,181                 |
| American Funds IS Growth-Income Class 4                      | 120,456      | (168,952)      | (48,496)                | 78,157       | (145,795)      | (67,638)                |
| American Funds IS American High-Income Trust Class 4         | 158,803      | (50,294)       | 108,509                 | 49,014       | (17,044)       | 31,970                  |
| American Funds IS International Class 4                      | 53,036       | (41,114)       | 11,922                  | 23,707       | (48,164)       | (24,457)                |
| American Funds IS International Growth and Income Class 4    | 14,115       | (21,070)       | (6,955)                 | 38,833       | (62,025)       | (23,192)                |
| American Funds IS Managed Risk Asset Allocation Class P2     | 194,831      | (170,482)      | 24,349                  | 185,239      | (133,475)      | 51,764                  |
| American Funds IS New World Fund Class 4                     | 82,515       | (41,245)       | 41,270                  | 38,807       | (68,323)       | (29,516)                |
| American Funds IS The Bond Fund of America Class 4           | 144,644      | (160,687)      | (16,043)                | 323,081      | (125,263)      | 197,818                 |
| American Funds IS U.S. Government Securities Class 4         | 46,975       | (231,201)      | (184,226)               | 923,296      | (549,558)      | 373,738                 |
| American Funds IS Washington Mutual Investors Class 4        | 190,150      | (65,904)       | 124,246                 | 84,552       | (29,149)       | 55,403                  |
| BlackRock 60/40 Target Allocation ETF V.I. Class I           | 317,647      | (69,876)       | 247,771                 | 283,226      | (29,944)       | 253,282                 |
| BlackRock Capital Appreciation V.I. Class III                | 1,916        | (3,894)        | (1,978)                 | 3,226        | (7,518)        | (4,292)                 |
| BlackRock Global Allocation V.I. Class III                   | 700,153      | (1,194,824)    | (494,671)               | 439,777      | (1,326,810)    | (887,033)               |
| Fidelity VIP Contrafund Service Class 2                      | 295,086      | (225,773)      | 69,313                  | 209,828      | (180,389)      | 29,439                  |
| Fidelity VIP FundsManager 60% Service Class 2                | 454,737      | (233,495)      | 221,242                 | 345,788      | (396,029)      | (50,241)                |
| Fidelity VIP Government Money Market Service Class           | 1,482,607    | (2,972,034)    | (1,489,427)             | 4,567,526    | (3,440,575)    | 1,126,951               |
| Fidelity VIP Strategic Income Service Class 2                | 198,692      | (80,924)       | 117,768                 | 94,200       | (139,533)      | (45,333)                |
| First Trust Dorsey Wright Tactical Core Class I              | 41,480       | (7,199)        | 34,281                  | 9,472        | (91,093)       | (81,621)                |
| First Trust Multi Income Allocation Class I                  | 23,291       | (11,700)       | 11,591                  | 6,226        | (23,558)       | (17,332)                |
| First Trust/Dow Jones Dividend & Income Allocation Class I   | 461,101      | (361,121)      | 99,980                  | 373,278      | (516,879)      | (143,601)               |
| Franklin Allocation VIP Class 2                              | 499          | (117)          | 382                     | 591          | (261)          | 330                     |
| Franklin Allocation VIP Class 4                              | 109,665      | (93,837)       | 15,828                  | 173,247      | (109,029)      | 64,218                  |
| Franklin Income VIP Class 2                                  | 92,574       | (106,812)      | (14,238)                | 77,546       | (212,351)      | (134,805)               |
| Franklin Mutual Global Discovery VIP Class 2                 | 13,774       | (84,552)       | (70,778)                | 85,489       | (105,158)      | (19,669)                |
| Franklin Rising Dividends VIP Class 2                        | 77,058       | (138,084)      | (61,026)                | 64,758       | (146,175)      | (81,417)                |
| Templeton Global Bond VIP Class 2                            | 108,533      | (158,457)      | (49,924)                | 119,049      | (251,306)      | (132,257)               |
| Ivy VIP Asset Strategy Class II                              | 39,657       | (1,798)        | 37,859                  | 83,921       | (83,589)       | 332                     |
| Ivy VIP Energy Class II                                      | 220,830      | (124,822)      | 96,008                  | 170,260      | (54,393)       | 115,867                 |
| Janus Henderson Balanced Service Shares                      | 5,117,190    | (1,999,232)    | 3,117,958               | 4,803,581    | (2,029,943)    | 2,773,638               |
| Janus Henderson Flexible Bond Service Shares                 | 141,707      | (80,691)       | 61,016                  | 103,619      | (69,859)       | 33,760                  |
| JPMorgan Insurance Trust Global Allocation Class 2           | 13,856       | (10,197)       | 3,659                   | 22,790       | (6,797)        | 15,993                  |
| JPMorgan Insurance Trust Income Builder Class 2              | 9,340        | (16,695)       | (7,355)                 | 22,745       | (6,432)        | 16,313                  |
| ClearBridge Variable Aggressive Growth - Class II            | 46,185       | (6,831)        | 39,354                  | 6,759        | (4,825)        | 1,934                   |
| Lord Abbett Bond Debenture Class VC                          | 158,462      | (81,212)       | 77,250                  | 62,905       | (168,936)      | (106,031)               |
| Lord Abbett Total Return Class VC                            | 162,099      | (132,200)      | 29,899                  | 140,090      | (137,808)      | 2,282                   |
| MFS Massachusetts Investors Growth Stock - Service Class     | 594          | (4,660)        | (4,066)                 | 2,436        | (10,204)       | (7,768)                 |
| MFS Total Return Series - Service Class                      | 376,413      | (296,779)      | 79,634                  | 254,720      | (276,997)      | (22,277)                |
| MFS Utilities Series - Service Class                         | 37,927       | (42,719)       | (4,792)                 | 46,509       | (75,662)       | (29,153)                |
| MFS Value Series - Service Class                             | 1,269        | (8,597)        | (7,328)                 | 4,978        | (6,817)        | (1,839)                 |
| Neuberger Berman U.S. Equity Index PutWrite Strategy Class S | 2,001        | (8,770)        | (6,769)                 | 328          | (82)           | 246                     |
| PIMCO All Asset - Advisor Class                              | 9,878        | (3,412)        | 6,466                   | 10,244       | (120)          | 10,124                  |
| PIMCO CommodityRealReturn Strategy - Advisor Class           | 61,466       | (12,615)       | 48,851                  | 9,998        | (27,435)       | (17,437)                |
| PIMCO Income - Advisor Class                                 | 101,535      | (12,228)       | 89,307                  | 33,675       | (30)           | 33,645                  |
| Schwab VIT Balanced  | 32,477       | (50,129)       | (17,652)                | 58,834       | (10,227)       | 48,607                  |
| Schwab VIT Balanced with Growth                              | 3,674        | (56,400)       | (52,726)                | 10,499       | (44,793)       | (34,294)                |
| Schwab VIT Growth  | 24,316       | (53,179)       | (28,863)                | -            | (37,699)       | (37,699)                |
| State Street Total Return V.I.S. Class 3                     | 39,905       | (102,059)      | (62,154)                | 86,852       | (190,127)      | (103,275)               |
| VanEck VIP Global Resources Class S                          | 94,329       | (36,446)       | 57,883                  | 33,670       | (53,573)       | (19,903)                |

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of  
Pacific Life & Annuity Company:

### Opinion on the Financial Statements

We have audited the accompanying statements of assets and liabilities of Separate Account A of Pacific Life & Annuity Company (the "Separate Account") comprising the variable accounts listed in Appendix A, including the schedules of investments as of December 31, 2021, the related statements of operations, statements of changes in net assets, and financial highlights for the periods indicated in Appendix A, and the related notes. In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Variable Accounts constituting the Separate Account A of Pacific Life & Annuity Company as of December 31, 2021, the results of their operations, changes in their net assets, and financial highlights for each of the periods indicated in Appendix A, in conformity with accounting principles generally accepted in the United States of America.

### Basis for Opinion

These financial statements and financial highlights are the responsibility of the Separate Account's management. Our responsibility is to express an opinion on the Separate Account's financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Separate Account in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. The Separate Account is not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Separate Account's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. Our procedures included confirmation of investments owned as of December 31, 2021, by correspondence with the transfer agents. We believe that our audits provide a reasonable basis for our opinion.

*Deloitte & Touche LLP*

Costa Mesa, California  
February 24, 2022

We have served as the auditor of Separate Account A of Pacific Life & Annuity Company since 2002.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (Continued)**  
**APPENDIX A**

| <b>Variable Account comprising the Separate Account</b> | <b>Statement of Operations</b>   | <b>Statements of Changes in Net Assets</b>                      | <b>Financial Highlights</b>                                      |
|---|--|---|--|
| Core Income Class I                                     | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Diversified Bond Class I                                | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Floating Rate Income Class I                            | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| High Yield Bond Class I                                 | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Inflation Managed Class I                               | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Managed Bond Class I                                    | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Short Duration Bond Class I                             | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Emerging Markets Debt Class I                           | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Dividend Growth Class I                                 | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Equity Index Class I                                    | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Focused Growth Class I                                  | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Growth Class I  | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Hedged Equity Class I                                   | For the period May 26, 2021 (commencement of operations) through December 31, 2021 |   |  |
| Large-Cap Growth Class I                                | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Large-Cap Value Class I                                 | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Main Street® Core Class I                               | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Mid-Cap Equity Class I                                  | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Mid-Cap Growth Class I                                  | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Mid-Cap Value Class I                                   | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Small-Cap Equity Class I                                | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Small-Cap Growth Class I                                | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Small-Cap Index Class I                                 | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Small-Cap Value Class I                                 | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Value Class I   | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Value Advantage Class I                                 | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Emerging Markets Class I                                | For the year ended December 31, 2021   | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (Continued)**  
**APPENDIX A (Continued)**

| Variable Account comprising the Separate Account                                    | Statement of Operations   | Statements of Changes in Net Assets                             | Financial Highlights   |
|---|---|---|--|
| International Growth Class I  | For the period December 14, 2021 (commencement of operations) through December 31, 2021 |   |  |
| International Large-Cap Class I   | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| International Small-Cap Class I   | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| International Value Class I   | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Health Sciences Class I   | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Real Estate Class I   | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Technology Class I  | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| ESG Diversified Class I   | For the period June 14, 2021 (commencement of operations) through December 31, 2021     |   |  |
| ESG Diversified Growth Class I  | For the period December 20, 2021 (commencement of operations) through December 31, 2021 |   |  |
| PSF DFA Balanced Allocation Class D   | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Pacific Dynamix - Conservative Growth Class I                                       | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Pacific Dynamix - Moderate Growth Class I   | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Pacific Dynamix - Growth Class I  | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Portfolio Optimization Conservative Class I   | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Portfolio Optimization Moderate-Conservative Class I                                | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Portfolio Optimization Moderate Class I   | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Portfolio Optimization Growth Class I   | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Portfolio Optimization Aggressive-Growth Class I                                    | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Invesco Oppenheimer V.I. International Growth Series II                             | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Invesco® V.I. Balanced-Risk Allocation Series II                                    | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Invesco® V.I. Equity and Income Series II   | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Invesco® V.I. Global Real Estate Series II  | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Invesco® V.I. Global Series II (formerly Invesco Oppenheimer V.I. Global Series II) | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Century VP Mid Cap Value Class II  | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Funds IS Asset Allocation Class 4  | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Funds IS Capital Income Builder® Class 4                                   | For the year ended December 31, 2021  | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (Continued)**  
**APPENDIX A (Continued)**

| <b>Variable Account comprising the Separate Account</b>  | <b>Statement of Operations</b>       | <b>Statements of Changes in Net Assets</b>                      | <b>Financial Highlights</b>                                      |
|--|--------------------------------------|---|--|
| American Funds IS Capital World Bond Class 4   | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Funds IS Capital World Growth and Income Class 4 (formerly American Funds IS Global Growth and Income Fund Class 4)   | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Funds IS Global Balanced Class 4  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Funds IS Global Growth Class 4  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Funds IS Global Small Capitalization Class 4  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Funds IS Growth Class 4   | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Funds IS Growth-Income Class 4  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Funds IS American High-Income Trust Class 4 (formerly American Funds IS High-Income Bond Class 4)                     | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Funds IS International Class 4  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Funds IS International Growth and Income Class 4  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Funds IS Managed Risk Asset Allocation Class P2   | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Funds IS New World Fund® Class 4  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Funds IS The Bond Fund of America Class 4 (formerly American Funds IS Bond Class 4)                                   | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Funds IS U.S. Government Securities Class 4 (formerly American Funds IS U.S. Government/AAA-Rated Securities Class 4) | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| American Funds IS Washington Mutual Investors Class 4 (formerly American Funds IS Blue Chip Income & Growth Class 4)           | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| BlackRock® 60/40 Target Allocation ETF V.I. Class I  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| BlackRock® Capital Appreciation V.I. Class III   | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| BlackRock® Global Allocation V.I. Class III  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Fidelity® VIP Contrafund® Service Class 2  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Fidelity® VIP FundsManager® 60% Service Class 2  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Fidelity® VIP Government Money Market Service Class  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Fidelity® VIP Strategic Income Service Class 2   | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (Continued)**  
**APPENDIX A (Continued)**

| <b>Variable Account comprising the Separate Account</b>      | <b>Statement of Operations</b>       | <b>Statements of Changes in Net Assets</b>   | <b>Financial Highlights</b>                                      |
|--|--------------------------------------|--|--|
| First Trust Dorsey Wright Tactical Core Class I              | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| First Trust Multi Income Allocation Class I                  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| First Trust/Dow Jones Dividend & Income Allocation Class I   | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| Franklin Allocation VIP Class 2                              | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| Franklin Allocation VIP Class 4                              | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| Franklin Income VIP Class 2                                  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| Franklin Mutual Global Discovery VIP Class 2                 | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| Franklin Rising Dividends VIP Class 2                        | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| Templeton Global Bond VIP Class 2                            | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| Ivy VIP Asset Strategy Class II                              | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| Ivy VIP Energy Class II                                      | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| Janus Henderson Balanced Service Shares                      | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| Janus Henderson Flexible Bond Service Shares                 | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| JPMorgan Insurance Trust Global Allocation Class 2           | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| JPMorgan Insurance Trust Income Builder Class 2              | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| ClearBridge Variable Aggressive Growth - Class II            | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| Lord Abbett Bond Debenture Class VC                          | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| Lord Abbett Total Return Class VC                            | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| MFS® Massachusetts Investors Growth Stock - Service Class    | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| MFS® Total Return Series - Service Class                     | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| MFS® Utilities Series - Service Class                        | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| MFS® Value Series - Service Class                            | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| Neuberger Berman U.S. Equity Index PutWrite Strategy Class S | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| PIMCO All Asset - Advisor Class                              | For the year ended December 31, 2021 | For the year ended December 31, 2021 and the period from June 1, 2020 (commencement of operations) through December 31, 2020 |  |
| PIMCO CommodityRealReturn® Strategy - Advisor Class          | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021  | For each of the five years in the period ended December 31, 2021 |
| PIMCO Income - Advisor Class                                 | For the year ended December 31, 2021 | For the year ended December 31, 2021 and the period from June 1, 2020 (commencement of operations) through December 31, 2020 |  |

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (Continued)**  
**APPENDIX A (Continued)**

| <b>Variable Account comprising the Separate Account</b>                              | <b>Statement of Operations</b>       | <b>Statements of Changes in Net Assets</b>                      | <b>Financial Highlights</b>                                      |
|--|--------------------------------------|---|--|
| Schwab VIT Balanced  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Schwab VIT Balanced with Growth  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| Schwab VIT Growth  | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| State Street Total Return V.I.S. Class 3   | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |
| VanEck VIP Global Resources Class S (formerly VanEck VIP Global Hard Assets Class S) | For the year ended December 31, 2021 | For each of the two years in the period ended December 31, 2021 | For each of the five years in the period ended December 31, 2021 |



## **PACIFIC LIFE & ANNUITY COMPANY**

Financial Statements - Statutory Basis  
as of December 31, 2021 and 2020 and  
for the years ended December 31, 2021, 2020 and 2019,  
Supplemental Schedule of Selected Financial Data  
as of and for the year ended December 31, 2021,  
Supplemental Summary Investment Schedule,  
Supplemental Schedule of Investment Risk Interrogatories,  
and Supplemental Schedule of Reinsurance Disclosures  
as of December 31, 2021  
and Independent Auditor's Report



## INDEPENDENT AUDITOR'S REPORT

Pacific Life & Annuity Company:

### Opinions

We have audited the statutory-basis financial statements of Pacific Life & Annuity Company (the "Company"), which comprise the statements of admitted assets, liabilities, and capital and surplus—statutory basis as of December 31, 2021 and 2020, and the related statements of operations—statutory basis, capital and surplus—statutory basis, and cash flows—statutory basis for each of the three years in the period ended December 31, 2021, and the related notes to the statutory-basis financial statements (collectively referred to as the "statutory-basis financial statements").

### Unmodified Opinion on Statutory-Basis of Accounting

In our opinion, the accompanying statutory-basis financial statements present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in accordance with the accounting practices prescribed or permitted by the Arizona Department of Insurance and Financial Institutions as described in Note 1.

### Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter described in the Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America section of our report, the statutory-basis financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Company as of December 31, 2021 and 2020, or the results of its operations or its cash flows for each of the three years in the period ended December 31, 2021.

### Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statutory-Basis Financial Statements section of our report. We are required to be independent of the Company, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

As described in Note 1 to the statutory-basis financial statements, the statutory-basis financial statements are prepared by the Company using the accounting practices prescribed or permitted by the Arizona Department of Insurance and Financial Institutions, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Arizona Department of Insurance and Financial Institutions. The effects on the statutory-basis financial statements of the variances between the statutory-basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### Responsibilities of Management for the Statutory-Basis Financial Statements

Management is responsible for the preparation and fair presentation of the statutory-basis financial statements in accordance with the accounting practices prescribed or permitted by the Arizona Department of Insurance and Financial Institutions. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of statutory-basis financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the statutory-basis financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the statutory-basis financial statements are issued.

### **Auditor's Responsibilities for the Audit of the Statutory-Basis Financial Statements**

Our objectives are to obtain reasonable assurance about whether the statutory-basis financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the statutory-basis financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the statutory-basis financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the statutory-basis financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the statutory-basis financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Report on Supplemental Schedules**

Our 2021 audit was conducted for the purpose of forming an opinion on the 2021 statutory-basis financial statements as a whole. The supplemental schedule of selected financial data, the supplemental summary investment schedule, the supplemental schedule of investment risk interrogatories, and the supplemental schedule of reinsurance disclosures as of and for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the 2021 statutory-basis financial statements. These schedules are the responsibility of the Company's management and were derived from and relate directly to the underlying accounting and other records used to prepare the statutory-basis financial statements. Such schedules have been subjected to the auditing procedures applied in our audit of the 2021 statutory-basis financial statements and certain additional procedures, including comparing and reconciling such schedules directly to the underlying accounting and other records used to prepare the statutory-basis financial statements or to the statutory-basis financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such schedules are fairly stated in all material respects in relation to the 2021 statutory-basis financial statements as a whole.

*Deloitte + Touche Up*

April 1, 2022

*Pacific Life & Annuity Company*

STATEMENTS OF ADMITTED ASSETS,  
LIABILITIES AND CAPITAL AND SURPLUS-STATUTORY BASIS

| <i>(In Thousands, except share data)</i>  | December 31,       |                    |
|---|--------------------|--------------------|
|   | 2021               | 2020               |
| <b>ADMITTED ASSETS</b>  |                    |                    |
| Bonds   | \$4,533,525        | \$4,362,159        |
| Preferred stocks  |                    | 1,820              |
| Common stocks   | 3,647              | 4,639              |
| Mortgage loans  | 377,880            | 385,611            |
| Cash and cash equivalents   | 74,065             | 134,568            |
| Contract loans  | 9,747              | 8,146              |
| Derivatives   | 16,169             | 25,071             |
| Other invested assets   | 33,606             | 28,908             |
| Investment income due and accrued   | 51,393             | 50,109             |
| Net deferred tax asset  | 15,664             | 14,308             |
| Other assets  | 8,891              | 4,060              |
| Separate account assets   | 3,490,561          | 3,199,084          |
| <b>TOTAL ADMITTED ASSETS</b>  | <b>\$8,615,148</b> | <b>\$8,218,483</b> |
| <b>LIABILITIES AND CAPITAL AND SURPLUS</b>  |                    |                    |
| Liabilities:  |                    |                    |
| Aggregate reserves  | \$3,731,027        | \$3,602,533        |
| Liability for deposit-type contracts  | 860,645            | 861,988            |
| Transfers to separate accounts due or accrued, net  | (55,187)           | (49,235)           |
| Other liabilities   | 48,417             | 44,665             |
| Asset valuation reserve   | 2,808              | 4,678              |
| Separate account liabilities  | 3,490,561          | 3,199,084          |
| <b>TOTAL LIABILITIES</b>  | <b>8,078,271</b>   | <b>7,663,713</b>   |
| Capital and Surplus:  |                    |                    |
| Common stock - \$1 par value; 5 million shares<br>authorized; 2.9 million shares issued and outstanding | 2,900              | 2,900              |
| Paid-in surplus   | 134,607            | 134,607            |
| Unassigned surplus  | 399,370            | 417,263            |
| <b>TOTAL CAPITAL AND SURPLUS</b>  | <b>536,877</b>     | <b>554,770</b>     |
| <b>TOTAL LIABILITIES AND CAPITAL AND SURPLUS</b>  | <b>\$8,615,148</b> | <b>\$8,218,483</b> |

See Notes to Financial Statements - Statutory Basis

*Pacific Life & Annuity Company*

STATEMENTS OF OPERATIONS-STATUTORY BASIS

| <i>(In Thousands)</i>                                | Years Ended December 31, |                |                 |
|--|--------------------------|----------------|-----------------|
|  | 2021                     | 2020           | 2019            |
| <b>REVENUES</b>                                      |                          |                |                 |
| Premiums and annuity considerations                  | \$583,009                | \$452,814      | \$566,495       |
| Net investment income                                | 224,787                  | 241,295        | 216,776         |
| Separate account fees                                | 65,872                   | 57,913         | 57,177          |
| Other income   | 5,979                    | 8,564          | 9,566           |
| <b>TOTAL REVENUES</b>                                | <b>879,647</b>           | <b>760,586</b> | <b>850,014</b>  |
| <b>BENEFITS AND EXPENSES</b>                         |                          |                |                 |
| Current and future policy benefits                   | 755,840                  | 621,018        | 734,668         |
| Commission expense                                   | 36,397                   | 33,684         | 37,821          |
| Operating expenses                                   | 21,505                   | 29,345         | 20,817          |
| <b>TOTAL BENEFITS AND EXPENSES</b>                   | <b>813,742</b>           | <b>684,047</b> | <b>793,306</b>  |
| <br>   |                          |                |                 |
| NET GAIN FROM OPERATIONS BEFORE FEDERAL INCOME TAXES | 65,905                   | 76,539         | 56,708          |
| Federal income tax expense                           | 6,223                    | 9,399          | 13,607          |
| <br>   |                          |                |                 |
| NET GAIN FROM OPERATIONS                             | 59,682                   | 67,140         | 43,101          |
| Net realized capital losses less tax                 | (27,552)                 | (59,775)       | (10,333)        |
| <br>   |                          |                |                 |
| <b>NET INCOME</b>                                    | <b>\$32,130</b>          | <b>\$7,365</b> | <b>\$32,768</b> |

See Notes to Financial Statements - Statutory Basis

Pacific Life & Annuity Company

STATEMENTS OF CAPITAL AND SURPLUS-STATUTORY BASIS

| <i>(In Thousands)</i>                                     | Common<br>Stock | Paid-in<br>Surplus | Unassigned<br>Surplus | Total            |
|---|-----------------|--------------------|-----------------------|------------------|
| <b>BALANCES, JANUARY 1, 2019</b>                          | <b>\$2,900</b>  | <b>\$134,607</b>   | <b>\$412,902</b>      | <b>\$550,409</b> |
| Net income  |                 |                    | 32,768                | 32,768           |
| Change in net unrealized capital losses less tax          |                 |                    | (5,333)               | (5,333)          |
| Change in net deferred income tax                         |                 |                    | 4,854                 | 4,854            |
| Change in nonadmitted assets                              |                 |                    | (4,179)               | (4,179)          |
| Change in asset valuation reserve                         |                 |                    | 8,137                 | 8,137            |
| Dividend paid to parent                                   |                 |                    | (41,000)              | (41,000)         |
| Other surplus transactions, net                           |                 |                    | (76)                  | (76)             |
| <b>BALANCES, DECEMBER 31, 2019</b>                        | <b>2,900</b>    | <b>134,607</b>     | <b>408,073</b>        | <b>545,580</b>   |
| Net income  |                 |                    | 7,365                 | 7,365            |
| Change in net unrealized capital gains less tax           |                 |                    | 9,913                 | 9,913            |
| Change in net deferred income tax                         |                 |                    | 3,223                 | 3,223            |
| Change in nonadmitted assets                              |                 |                    | 1,360                 | 1,360            |
| Change in reserve on account of change in valuation basis |                 |                    | 13,565                | 13,565           |
| Change in asset valuation reserve                         |                 |                    | 13,954                | 13,954           |
| Dividend paid to parent                                   |                 |                    | (40,000)              | (40,000)         |
| Other surplus transactions, net                           |                 |                    | (190)                 | (190)            |
| <b>BALANCES, DECEMBER 31, 2020</b>                        | <b>2,900</b>    | <b>134,607</b>     | <b>417,263</b>        | <b>554,770</b>   |
| Net income  |                 |                    | 32,130                | 32,130           |
| Change in net unrealized capital losses less tax          |                 |                    | (11,356)              | (11,356)         |
| Change in net deferred income tax                         |                 |                    | 3,523                 | 3,523            |
| Change in nonadmitted assets                              |                 |                    | (2,209)               | (2,209)          |
| Change in asset valuation reserve                         |                 |                    | 1,870                 | 1,870            |
| Dividend paid to parent                                   |                 |                    | (41,700)              | (41,700)         |
| Other surplus transactions, net                           |                 |                    | (151)                 | (151)            |
| <b>BALANCES, DECEMBER 31, 2021</b>                        | <b>\$2,900</b>  | <b>\$134,607</b>   | <b>\$399,370</b>      | <b>\$536,877</b> |

See Notes to Financial Statements - Statutory Basis

Pacific Life & Annuity Company

STATEMENTS OF CASH FLOWS-STATUTORY BASIS

| <i>(In Thousands)</i>  | Years Ended December 31, |                  |                  |
|--|--------------------------|------------------|------------------|
|  | 2021                     | 2020             | 2019             |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                          |                  |                  |
| Premiums collected, net of reinsurance   | \$583,076                | \$452,806        | \$566,439        |
| Net investment income  | 224,183                  | 237,736          | 214,037          |
| Other income   | 71,832                   | 66,481           | 66,752           |
| Benefits and loss related payments   | (648,079)                | (504,585)        | (555,289)        |
| Net transfers from separate accounts   | 49,459                   | 38,199           | 148,570          |
| Commissions, expenses paid and other deductions                                    | (58,044)                 | (53,155)         | (58,994)         |
| Federal income taxes paid  | (8,696)                  | (7,389)          | (14,405)         |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>                                   | <b>213,731</b>           | <b>230,093</b>   | <b>367,110</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                          |                  |                  |
| Proceeds from investments sold, matured or repaid                                  |                          |                  |                  |
| Bonds  | 297,035                  | 268,294          | 299,708          |
| Stocks   | 4,087                    |                  | 23               |
| Mortgage loans   | 37,958                   | 22,365           | 57,477           |
| Other invested assets  | 958                      | 988              | 2,316            |
| Miscellaneous proceeds   | 4,883                    | 19,017           | 1,858            |
| Cost of investments acquired   |                          |                  |                  |
| Bonds  | (490,787)                | (381,424)        | (644,568)        |
| Stocks   | (1,276)                  |                  |                  |
| Mortgage loans   | (29,963)                 |                  | (29,963)         |
| Other invested assets  |                          | (151)            |                  |
| Miscellaneous applications   | (39,561)                 | (81,483)         | (21,912)         |
| Net (increase) decrease in contract loans  | (1,597)                  | 134              | (105)            |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>                                       | <b>(218,263)</b>         | <b>(152,260)</b> | <b>(335,166)</b> |
| <b>CASH FLOWS FROM FINANCING AND MISCELLANEOUS ACTIVITIES</b>                      |                          |                  |                  |
| Net deposits (withdrawals) on deposit-type contracts                               | (35,135)                 | 11,931           | 35,636           |
| Dividend paid to parent  | (21,694)                 | (40,000)         | (41,000)         |
| Other cash provided (applied)  | 858                      | (1,968)          | 1,858            |
| <b>NET CASH USED IN FINANCING AND MISCELLANEOUS ACTIVITIES</b>                     | <b>(55,971)</b>          | <b>(30,037)</b>  | <b>(3,506)</b>   |
| Net change in cash and cash equivalents  | (60,503)                 | 47,796           | 28,438           |
| Cash and cash equivalents, beginning of year                                       | 134,568                  | 86,772           | 58,334           |
| <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>                                      | <b>\$74,065</b>          | <b>\$134,568</b> | <b>\$86,772</b>  |
| <b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION FOR NON-CASH TRANSACTIONS</b> |                          |                  |                  |
| Bonds disposed and acquired  | \$36,708                 | \$80,985         | \$122,094        |
| Bond dividend paid to parent   | 20,006                   |                  |                  |

See Notes to Financial Statements - Statutory Basis

*Pacific Life & Annuity Company*

NOTES TO FINANCIAL STATEMENTS-STATUTORY BASIS

**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

NATURE OF OPERATIONS

Pacific Life & Annuity Company (PL&A or the Company) is a stock life insurance company domiciled in the State of Arizona and a wholly owned subsidiary of Pacific Life Insurance Company (Pacific Life). The Company markets and distributes life insurance and annuities. The Company is licensed to sell certain of its products in the state of New York.

The top geographic locations in the United States for statutory premiums and annuity considerations, and deposits were New York and Colorado representing 75% and 16%, respectively, of total statutory premiums and annuity considerations, and deposits for the year ended December 31, 2021. No other jurisdiction accounted for more than 5% of the total.

BASIS OF PRESENTATION

The Company prepares its financial statements - statutory basis in accordance with accounting practices prescribed or permitted by the Arizona Department of Insurance and Financial Institutions (AZ DIFI), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (U.S. GAAP). The AZ DIFI has adopted the National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual (NAIC SAP), subject to any deviations prescribed or permitted by the AZ DIFI, of which there were none.

NAIC SAP differs in certain respects, which in some cases are material, from U.S. GAAP (Note 2).

The transactions with related parties may not necessarily be indicative of the conditions that would have existed or the results of operations if the Company had been operated as a stand-alone entity.

Certain reclassifications have been made to the 2020 and 2019 financial statements - statutory basis to conform to the 2021 financial statement - statutory basis presentation.

The Company has evaluated events subsequent to December 31, 2021 through the date the financial statements - statutory basis were available to be issued and has concluded that no events have occurred that required adjustments.

Economic and capital market uncertainties have arisen as a result of the spread of COVID-19. The impact of COVID-19 on the Company is constantly evolving and its future effects are uncertain and cannot be reasonably estimated as of the date of this filing. Interest rates, credit spreads and equity market levels have had the most significant effect on the Company's financial statements. COVID-19 related claims have not been material through December 31, 2021. The Company continues to actively monitor direct and indirect impacts of the pandemic on its financial statements, especially in relation to claims and the investments portfolio.

USE OF ESTIMATES

The preparation of financial statements - statutory basis in conformity with accounting practices prescribed or permitted by regulatory authorities requires management to make estimates and assumptions that affect the reported amounts of admitted assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

ACCOUNTING CHANGES, CORRECTIONS OF ERRORS AND RECLASSIFICATIONS

Effective January 1, 2021, the Company adopted revisions to Statement of Statutory Accounting Principles (SSAP) No. 86, Derivatives, to ensure reporting consistency for derivatives with financing components. A financing derivative is one which the premium to acquire the derivative is paid throughout the derivative term, or at maturity. The revisions require that at acquisition and subsequently, the gross reported fair value of the derivative shall exclude the impact of the financing premiums and the premiums payable shall be separately reported as payable for securities. The impact of the adoption on January 1, 2021 was an increase to

Derivatives of \$0.7 million, an increase to Investment Income Due and Accrued of \$0.8 million and an increase to Payable for Securities included in Other liabilities of \$1.5 million.

Effective January 1, 2021, the Company adopted SSAP No. 26R, Bonds, and SSAP No. 32R, Preferred Stock, which clarified the valuation and measurement for perpetual bonds and stocks held as investments. Perpetual bonds and preferred stocks, previously reported at amortized cost, shall now be reported at fair value, not to exceed any current effective call price, with changes in fair value recorded in unassigned surplus as a change in net unrealized capital gains (losses) less tax. The impact of this adoption on the Company's financial statements - statutory basis was immaterial.

Effective January 1, 2017, the SSAP No. 51R, Life Contracts, was issued which made substantive revisions to SSAP No. 51 to reference the Valuation Manual as part of Principle-Based Reserve (PBR) implementation. For life insurance policies issued during 2017-2019, the Valuation Manual did not require companies to update their reserve methodologies during the first three years following the operative date of the Valuation Manual. The Company implemented PBR for all life insurance policies and business issued in 2020. The Company implemented PBR for all life insurance policies issued in 2020. The Company did not implement PBR for life insurance policies issued during 2017-2019.

Variable annuity contracts are subject to Actuarial Guideline 43 (AG43) and the Valuation Manual section VM-21 (VM-21). As a result of updates to AG43 and VM-21, effective January 1, 2020, for all variable annuity contracts, \$13.6 million of reserves were released with an offsetting adjustment in surplus, change in reserve on account of change in valuation basis on the statements of capital and surplus - statutory basis.

#### FUTURE ADOPTION OF ACCOUNTING PRINCIPLES

During 2020, the NAIC issued Interpretation 20-01 to provide statutory accounting and reporting guidance for the adoption of Accounting Standards Update 2020-04 Reference Rate Reform: Facilitation of the Effects of Reference Rate Reform on Financial Reporting issued by the Financial Accounting Standards Board. This Interpretation adopts, with minor modification, the U.S. GAAP adopted guidance, which provides optional expedients and exceptions for applying current accounting guidance to contracts, hedging relationships and other transactions affected by reference rate reform if certain criteria are met, through December 31, 2022. The Company is currently evaluating the impact of this guidance on its financial statements – statutory basis.

#### INVESTMENTS AND DERIVATIVE INSTRUMENTS

Bonds not backed by other loans are generally stated at amortized cost using the effective interest method. Bonds, including loan-backed and structured securities (LBASS), with a NAIC designation of 6 are stated at the lower of amortized cost or fair value with changes in fair value recorded in unassigned surplus as a change in net unrealized capital gains (losses) less tax.

LBASS are generally stated at amortized cost using the effective interest method. Income is determined considering anticipated cash flows based on industry prepayment models and internal estimates. These assumptions are consistent with the current interest rate and economic conditions at the time of valuation. For LBASS purchased with high credit quality and fixed interest rates, the effective yield is recalculated on a retrospective basis. For all other LBASS, including those where cash flows are deemed other than temporarily impaired, effective yield is recalculated on a prospective basis.

Preferred stocks are generally stated at amortized cost. Preferred stocks designated low quality, lower quality and in or near default are stated at the lower of amortized cost or fair value with changes in fair value recorded in unassigned surplus as a change in net unrealized capital gains (losses) less tax. Perpetual preferred stocks are reported at fair value, not to exceed any current effective call price, with changes in fair value recorded in unassigned surplus as a change in net unrealized capital gains (losses) less tax.

Investments in unaffiliated common stocks are valued at fair value with changes in fair value recorded in unassigned surplus as a change in net unrealized capital gains (losses) less tax.

The Company has certain investments, including financial instruments, denominated in currencies other than the U.S. dollar. All assets and liabilities denominated in foreign currencies are remeasured at year end exchange rates, while revenue and expenses are measured at the transaction date and recorded in net unrealized capital gains (losses) less tax. The Company primarily uses foreign currency interest rate swaps to manage its foreign exchange risk.



Other than temporary impairment (OTTI) evaluation is a quantitative and qualitative process subject to significant estimates and management judgment. The Company has controls and procedures in place to monitor securities and identify those that are subject to greater analysis for OTTI. The Company has an investment impairment committee that reviews and evaluates investments for potential OTTI at least on a quarterly basis.

In determining whether a decline in value is other than temporary, the Company considers several factors including, but not limited to the following: the extent and duration of the decline in value, the reasons for the decline (credit event, currency or interest rate related including spread widening), the Company's inability or lack of intent to retain the investment for a period of time sufficient to recover the amortized cost basis and the performance of the security's underlying collateral and projected future cash flows. In projecting future cash flows, the Company incorporates inputs from third-party sources and applies reasonable judgment in developing assumptions used to estimate the probability and timing of collecting all contractual cash flows.

The Company writes down all investments that are deemed to be other than temporarily impaired in the period the securities are deemed to be impaired. The Company records an OTTI to fair value for common stock, preferred stock, and bonds, except for LBASS, which are written down to the present value of cash flows expected to be collected, discounted at the security's effective interest rate. The Company records an OTTI to fair value for any investment that the Company intends to sell or would be required to sell prior to recovery at a realized loss. The Company records OTTI in net realized capital losses less tax.

Mortgage loans on real estate are carried at their unpaid principal balance, net of deferred origination fees and impairment losses. Mortgage loans on real estate do not include accrued interest, which is included in investment income due and accrued. The Company generally recognizes interest income on its impaired loans upon receipt. As of December 31, 2021, 2020 and 2019, no loans were considered impaired or in nonaccrual status. The Company did not recognize any interest income on mortgage loans using the cash-basis of accounting during the years ended December 31, 2021, 2020 or 2019. No mortgage loans were derecognized as a result of foreclosure during the years ended December 31, 2021, 2020 and 2019.

Cash and cash equivalents are stated at amortized cost and approximate fair value. Cash and cash equivalents include money market instruments, cash on deposit and highly liquid debt instruments with maturities of three months or less from purchase date.

Contract loans are carried at unpaid principal balances.

Other invested assets are generally carried at values based on the underlying audited equity of the investee as determined in accordance with U.S. GAAP with changes in value recorded in unassigned surplus as a change in net unrealized capital gains (losses) less tax. Other invested assets primarily consist of investments in joint ventures, partnerships and limited liability companies, including affiliated companies, as well as those in which the Company has minor ownership interests. An impairment occurs if it is probable that the Company will be unable to recover the carrying amount of the investment. The investment is written down to fair value as the new cost basis and the OTTI is recorded in net realized capital losses less tax.

The Company applies hedge accounting, as prescribed by SSAP No. 86, Derivatives, by designating derivative instruments as either fair value or cash flow hedges on the inception date of the hedging relationship. At the inception of the hedging relationship, the Company formally documents its risk management objective and strategy for undertaking the hedging transaction. In this documentation, the Company specifically identifies the asset, liability, firm commitment, or forecasted transaction that has been designated as the hedged item and states how the hedging instrument is expected to hedge the risks related to the hedged item. The Company formally assesses and measures effectiveness of its hedging relationships both at the hedge inception date and on an ongoing basis in accordance with its risk management policy.

Derivative instruments used in hedging transactions that meet the criteria of a highly effective hedge are considered effective hedges and are reported in the financial statements in a manner consistent with the hedged asset or liability (amortized cost or fair value). Changes in the carrying value of derivatives that qualify for hedge accounting are recorded consistently with how the changes in the carrying value of the hedged asset or liability are recorded.

To the extent the Company chooses not to designate a derivative as a hedge or the designated derivative no longer meets the criteria of an effective hedge, the derivative is accounted for at fair value with changes in fair value recorded in unassigned surplus as a change in net unrealized capital gains (losses) less tax and any change in fair value attributable to changes in foreign exchange rates are reflected as adjustments to unassigned surplus as a change in net unrealized foreign exchange capital gain (loss) consistent with the hedged items. When these derivative instruments are terminated, the gains and losses are reported as net realized capital losses less tax.

Carrying value is calculated based on the gross derivative asset or liability position. If the carrying value of the derivative is positive, the amount is recorded in derivatives. If the carrying value of the derivative is negative, the amount is recorded in other liabilities. The Company's receivable for the return of cash collateral pledged is recorded in other invested assets. The Company's obligation to return cash collateral received is recorded in other liabilities.

Gains and losses on terminated derivative instruments that are hedging bonds are subject to the Interest Maintenance Reserve (IMR). Gains and losses on terminated forward starting swap positions that are hedging anticipatory purchases of bonds are deferred to unearned investment income, included in other liabilities, if the effective date of the forward starting swap is beyond the current fiscal year. Once the effective date is within the current fiscal year, the gains and losses are transferred from unearned investment income to the IMR.

Periodic net settlements on derivatives designated as hedges are recorded on an accrual basis consistent with the hedged items. Periodic net settlements on derivatives not designated as hedging are recorded on an accrual basis in net investment income.

The asset valuation reserve (AVR) is computed in accordance with a prescribed formula and is designed to stabilize surplus against valuation and credit-related losses for certain investments. Changes to the AVR are reported as direct additions to, or deductions from, unassigned surplus. The IMR results in the deferral of after tax realized capital gains and losses attributable to interest rate fluctuations on bonds and other investments. These capital gains and losses are amortized into net investment income over the remaining life of the investment sold. The IMR of \$5.1 million and \$5.7 million is included in other liabilities as of December 31, 2021 and 2020, respectively.

Net investment income consists of interest, dividend, accretion income, net of amortization and investment expenses, partnership realized income, and periodic net settlements on derivatives. Interest income for bonds is recognized on an accrual basis. Dividend income for perpetual preferred stock and common stock is recognized as earned on the ex-dividend date. Amortization and accretion are determined by the effective interest method based on estimated principal repayments. Accrual of interest income is suspended, and any existing accrual balances are written off, for bonds that are in default or when it is probable the interest due and accrued is uncollectible. Prepayment penalties for bonds and prepayment premiums for mortgage loans are recorded as net investment income.

The Company accrues interest income on impaired loans to the extent it is deemed collectible. If any interest income due and accrued is deemed uncollectible, interest accrual ceases and previously accrued amounts are written off. Accrued interest income more than 180 days past due deemed collectible on mortgage loans in default is nonadmitted. All other investment income due and accrued with amounts over 90 days past due is nonadmitted.

Net realized capital losses less tax are determined on the specific identification method and are presented net of Federal income taxes and transfers to the IMR.

#### AGGREGATE RESERVES AND LIABILITY FOR DEPOSIT-TYPE CONTRACTS

Life insurance reserves are valued using the net level premium method, the Commissioners' Reserve Valuation Method (CRVM), or other modified reserve methods. Interest rate assumptions ranged from 2.00% to 4.50%. Reserves for individual variable annuities are held in accordance with VM-21. Reserves for individual fixed annuities are maintained using the Commissioners' Annuity Reserve Valuation Method, with appropriate statutory interest and mortality assumptions computed on the basis of interest ranging from 1.00% to 6.50%. Group annuity reserves are valued using the CRVM with statutory interest and mortality assumptions computed on the basis of interest ranging from 1.00% to 3.00%.

The Company establishes loss liabilities for claims that have been incurred before the valuation date, but have not yet been paid. An expense liability is established associated with paying those claims.

The Company waives deduction of deferred fractional premium upon death of insured. The Company does not return any portion of the final premium for periods beyond the date of death. Continuous or modal premium assumptions are used for all reserves. All reserves are equal to the greater of the computed reserve and surrender value or, on certain products, a higher alternative comparison value.

Payments received on deposit-type contracts, which do not incorporate any mortality or morbidity risk, are recorded directly to the liability for deposit-type contracts. Interest credited to deposit-type contracts is recorded as an expense in the summary of operations when earned under the terms of the contract. Payments to contract holders are recorded as current and future policy

benefits expense to the extent that such payments differ from the recorded liability. Interest rates credited ranged primarily from 1.00% to 6.50%.

#### TRANSFERS TO SEPARATE ACCOUNTS DUE OR ACCRUED, NET

Transfers to separate accounts due or accrued, net consist primarily of amounts accrued from the separate account for expense allowances recognized in reserves. These amounts represent the excess of separate account contract values over statutory reserves held in the separate account.

#### REINSURANCE

The Company has reinsurance contracts with other insurance companies and affiliates to limit potential losses, reduce exposure from larger mortality risks and provide additional capacity for growth. As part of its risk management process, the Company routinely evaluates its reinsurance programs and may change retention limits, reinsurers or other features at any time.

The ceding of risk does not discharge the Company from its primary obligations to contract owners. To the extent that the assuming companies become unable to meet their obligations under reinsurance contracts, the Company remains liable. Each reinsurer is reviewed to evaluate its financial stability before entering into each reinsurance contract and throughout the period that the reinsurance contract is in place.

Reserve adjustments on reinsurance ceded, included in other income, relate to amounts ceded by the Company in connection with modified coinsurance reinsurance agreements. The amounts included in revenue adjustments on reinsurance ceded primarily represents ceded current and future policy benefits, net investment income and net realized capital losses less tax, related to these agreements.

All assets associated with business reinsured on a modified coinsurance basis remain with, and under the control of, the Company.

For the years ended December 31, 2021, 2020 and 2019, individual life and annuity premiums assumed were an immaterial amount, and premiums ceded were \$3.7 million, \$3.7 million and \$3.6 million, respectively. As of December 31, 2021 and 2020, reserve credits recorded on ceded reinsurance were \$7.6 million and \$8.2 million, respectively.

The estimated amount of the aggregate reduction in surplus of termination of all reinsurance agreements, by either party, was \$1.7 million and \$1.8 million as of December 31, 2021 and 2020, respectively.

The Company has ceded reinsurance contracts in place with a reinsurer whose financial stability has deteriorated. In March, 2019, the reinsurer's domiciliary state regulator issued a rehabilitation and injunction order in which the regulator shall conduct and continue business of the reinsurer. As of December 31, 2021, the Company does not expect the financial deterioration of the reinsurer to have a material adverse effect on the Company's financial statements - statutory basis.

#### REVENUES, BENEFITS AND EXPENSES

Life insurance premiums are recognized as income when due from the policyholder under the terms of the insurance contract. Premiums for flexible premium products are recognized when received from the policyholder. Annuity considerations are recognized as premiums when received.

Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred

#### FEDERAL INCOME TAXES

The Company is taxed as a life insurance company for income tax purposes and its operations are included in the consolidated Federal income tax return of Pacific Mutual Holding Company (PMHC), the Company's ultimate parent. In addition to the Company, included in PMHC's consolidated return are the following entities: Pacific LifeCorp, Pacific Life, Pacific Alliance Reinsurance Company of Vermont, Pacific Baleine Reinsurance Company, Pacific Life Fund Advisors LLC (PLFA), and Pacific Life Re Global Limited.

The method of tax allocation between companies is subject to written tax sharing agreements, approved by the Company's Board of Directors. Allocation is based upon separate return calculations with current credit for net losses to the extent utilized in the consolidated return. If the consolidated return has tax losses, intercompany balances are generally settled as refunds are received. If the consolidated return has a tax payable, the intercompany balances are generally settled as paid.

#### SEPARATE ACCOUNTS

Separate accounts primarily include variable life and annuity contracts. The Company's separate accounts without guarantees consist of the variable annuities and variable life businesses where the assets of these accounts are carried at fair value and represent legally segregated contract holder funds. A separate account liability is recorded at fair value at an amount equal to the separate account asset. The investment results of separate account assets typically pass through to the contract holders so that the Company generally bears no investment risk on these assets. Amounts charged to the separate account for mortality, surrender and expense charges are included in separate account fees in other income.

Separate account assets are primarily invested in mutual funds, but are also invested in hedge funds.

#### RISK-BASED CAPITAL

Risk-based capital is a method developed by the NAIC to measure the minimum amount of capital appropriate for an insurance company to support its overall business operations in consideration of its size and risk profile. The formulas for determining the amount of risk-based capital specify various weighting factors that are applied to financial balances or various levels of activity based on the perceived degree of risk. Additionally, certain risks are required to be measured using actuarial cash flow modeling techniques, subject to formulaic minimums. The adequacy of a company's actual capital is measured by the risk-based capital results, as determined by the formulas and actuarial models. Companies below minimum risk-based capital requirements are classified within certain levels, each of which requires specified corrective action. As of December 31, 2021 and 2020, the Company exceeded the minimum risk-based capital requirements.

## **2. COMPARISON OF NAIC SAP TO U.S. GAAP**

The objectives of U.S. GAAP reporting differ from the objectives of NAIC SAP reporting. U.S. GAAP stresses measurement of earnings of a business from period to period, while NAIC SAP stresses measurement of ability to pay claims in the future.

The Company prepares its financial statements - statutory basis in accordance with statutory accounting practices prescribed or permitted by the AZ DIFI, which is a comprehensive basis of accounting other than U.S. GAAP. NAIC SAP primarily differs from U.S. GAAP by charging policy acquisition costs to expense as incurred, recognizing certain policy fees as revenue when billed, establishing future policy benefit liabilities using different actuarial assumptions and methods, as well as reporting investments and certain assets and accounting for deferred income taxes on a different basis.

### 3. INVESTMENTS

#### BONDS AND CASH EQUIVALENTS

The book/adjusted carrying value, fair value and net unrealized gains of bonds and cash equivalents are shown below. Cash equivalents as of December 31, 2021 and 2020 were \$76.2 million and \$125.5 million, respectively. See Note 4 for information on the Company's fair value measurements.

|  | Book/Adjusted<br>Carrying<br>Value | Fair Value         | Net<br>Unrealized<br>Gains |
|--|------------------------------------|--------------------|----------------------------|
| <i>(In Thousands)</i>  |                                    |                    |                            |
| <u>December 31, 2021:</u>  |                                    |                    |                            |
| U.S. Government  | \$9,079                            | \$9,549            | \$470                      |
| All other governments  | 31,479                             | 35,016             | 3,537                      |
| U.S. states, territories and possessions                           | 8,838                              | 10,489             | 1,651                      |
| U.S. political subdivisions of states, territories and possessions | 58,184                             | 69,903             | 11,719                     |
| U.S. special revenue and special assessment obligations            | 279,601                            | 376,641            | 97,040                     |
| Industrial and miscellaneous                                       | 4,003,481                          | 4,621,915          | 618,434                    |
| LBASS:   |                                    |                    |                            |
| Residential mortgage-backed securities (RMBS)                      | 69,353                             | 72,957             | 3,604                      |
| Commercial mortgage-backed securities (CMBS)                       | 81,674                             | 83,473             | 1,799                      |
| Other  | 68,075                             | 71,712             | 3,637                      |
| Total  | <u>\$4,609,764</u>                 | <u>\$5,351,655</u> | <u>\$741,891</u>           |
| <i>(In Thousands)</i>  |                                    |                    |                            |
|  | Book/Adjusted<br>Carrying<br>Value | Fair Value         | Net<br>Unrealized<br>Gains |
| <u>December 31, 2020:</u>  |                                    |                    |                            |
| U.S. Government  | \$9,093                            | \$9,909            | \$816                      |
| All other governments  | 29,510                             | 35,958             | 6,448                      |
| U.S. states, territories and possessions                           | 8,807                              | 10,651             | 1,844                      |
| U.S. political subdivisions of states, territories and possessions | 58,192                             | 72,241             | 14,049                     |
| U.S. special revenue and special assessment obligations            | 282,458                            | 388,715            | 106,257                    |
| Industrial and miscellaneous                                       | 3,839,598                          | 4,662,548          | 822,950                    |
| LBASS:   |                                    |                    |                            |
| RMBS   | 105,675                            | 111,620            | 5,945                      |
| CMBS   | 61,161                             | 63,998             | 2,837                      |
| Other  | 93,175                             | 100,743            | 7,568                      |
| Total  | <u>\$4,487,669</u>                 | <u>\$5,456,383</u> | <u>\$968,714</u>           |

The book/adjusted carrying value and fair value of bonds and cash equivalents as of December 31, 2021, by contractual repayment date of principal, are shown below. Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

|  | Book/Adjusted<br>Carrying<br>Value | Fair Value         |
|--|------------------------------------|--------------------|
|  | <i>(In Thousands)</i>              |                    |
| Due in one year or less                | \$153,334                          | \$155,124          |
| Due after one year through five years  | 696,041                            | 749,673            |
| Due after five years through ten years | 1,241,036                          | 1,341,856          |
| Due after ten years                    | 2,300,251                          | 2,876,860          |
|  | 4,390,662                          | 5,123,513          |
| LBASS                                  | 219,102                            | 228,142            |
| Total                                  | <u>\$4,609,764</u>                 | <u>\$5,351,655</u> |

The following tables present the fair value and gross unrealized losses for bonds where the fair value had declined and remained continuously below the amortized cost adjusted for OTTI for less than twelve months and for twelve months or greater:

|   | Less than 12 Months |                         | 12 Months or Greater |                         | Total            |                         |
|---|---------------------|-------------------------|----------------------|-------------------------|------------------|-------------------------|
|   | Fair Value          | Gross Unrealized Losses | Fair Value           | Gross Unrealized Losses | Fair Value       | Gross Unrealized Losses |
| <i>(In Thousands)</i>                                   |                     |                         |                      |                         |                  |                         |
| <u>December 31, 2021:</u>                               |                     |                         |                      |                         |                  |                         |
| U.S. Government   | \$6,020             | \$59                    |                      |                         | \$6,020          | \$59                    |
| All other governments                                   | 12,237              | 370                     |                      |                         | 12,237           | 370                     |
| U.S. special revenue and special assessment obligations | 20,405              | 73                      |                      |                         | 20,405           | 73                      |
| Industrial and miscellaneous                            | 358,589             | 8,219                   | \$19,455             | \$1,664                 | 378,044          | 9,883                   |
| LBASS:  |                     |                         |                      |                         |                  |                         |
| RMBS  | 27,685              | 736                     | 2,697                | 48                      | 30,382           | 784                     |
| CMBS  | 51,442              | 555                     |                      |                         | 51,442           | 555                     |
| Other   | 13,735              | 873                     |                      |                         | 13,735           | 873                     |
| <b>Total</b>  | <b>\$490,113</b>    | <b>\$10,885</b>         | <b>\$22,152</b>      | <b>\$1,712</b>          | <b>\$512,265</b> | <b>\$12,597</b>         |
| <u>December 31, 2020:</u>                               |                     |                         |                      |                         |                  |                         |
| U.S. special revenue and special assessment obligations |                     |                         | \$7,564              | \$732                   | \$7,564          | \$732                   |
| Industrial and miscellaneous                            | \$26,640            | \$1,390                 | 25,260               | 2,861                   | 51,900           | 4,251                   |
| LBASS:  |                     |                         |                      |                         |                  |                         |
| RMBS  | 9,043               | 43                      | 2,887                | 100                     | 11,930           | 143                     |
| CMBS  | 29,216              | 758                     |                      |                         | 29,216           | 758                     |
| Other   | 3,013               | 1                       |                      |                         | 3,013            | 1                       |
| <b>Total</b>  | <b>\$67,912</b>     | <b>\$2,192</b>          | <b>\$35,711</b>      | <b>\$3,693</b>          | <b>\$103,623</b> | <b>\$5,885</b>          |

The Company has evaluated investments with gross unrealized losses and determined that the unrealized losses are temporary. The Company does not have the intent to sell these securities and has the intent and ability to retain these investments for a period of time sufficient to recover the amortized cost basis.

The Company received prepayment penalties and acceleration of fees of \$5.9 million, \$2.8 million and \$3.2 million from 23, 22 and 22 securities for the years ended December 31, 2021, 2020 and 2019, respectively.

The Company does not have any securities lending transactions and did not have any reverse repurchase agreement transactions accounted for as secured borrowings as of December 31, 2021 and 2020.

Bonds with a book/adjusted carrying value of \$6.1 million as of December 31, 2021 and 2020 were held as restricted assets on deposit with government agencies as required by law in various jurisdictions in which the Company conducts business.

The table below summarizes the OTTI by security type:

|                              | Years Ended December 31, |      |       |
|------------------------------|--------------------------|------|-------|
|                              | 2021                     | 2020 | 2019  |
|                              | <i>(In Thousands)</i>    |      |       |
| Bonds:                       |                          |      |       |
| Industrial and miscellaneous | \$5,094                  |      | \$476 |
| Total OTTI                   | \$5,094                  | —    | \$476 |

No OTTI was recognized on LBASS during the years ended December 31, 2021, 2020 and 2019 due to intent to sell or inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis.

The Company has not recognized any OTTI on its loan-backed securities based on cash flow analysis during the years ended December 31, 2021, 2020 and 2019.

The assignment of an NAIC 5GI designation to a debt security occurs when the necessary documentation for a full credit analysis does not exist but the security is current on all contractual payments and the Company expects the security to make full payment of all contractual principal and interest. The following table presents the number of investments, the book/adjusted carrying value, and the fair value for bonds with an NAIC 5GI designation:

|   | December 31, 2021     |                |            | December 31, 2020     |                |            |
|---|-----------------------|----------------|------------|-----------------------|----------------|------------|
|   | Number                | Book/Adjusted  |            | Number                | Book/Adjusted  |            |
|   |                       | Carrying Value | Fair Value |                       | Carrying Value | Fair Value |
|   | <i>(In Thousands)</i> |                |            | <i>(In Thousands)</i> |                |            |
| U.S. special revenue and special assessment obligations | 2                     | \$7,896        | \$8,022    | 2                     | \$8,296        | \$7,564    |
| Total   | 2                     | \$7,896        | \$8,022    | 2                     | \$8,296        | \$7,564    |

Proceeds, gross gains and gross losses recognized on sales of bonds were \$46.1 million, \$1.8 million and zero, respectively, for the year ended December 31, 2021. Proceeds, gross gains and gross losses recognized on sales of bonds were \$37.9 million, \$1.9 million and \$0.1 million, respectively, for the year ended December 31, 2020. Proceeds, gross gains and gross losses recognized on sales of bonds were \$65.0 million, \$1.1 million and \$0.2 million for the year ended December 31, 2019.

#### MORTGAGE LOANS

The maximum and minimum lending rates for newly issued mortgage loans, by category, are as follows:

|                                      | Maximum | Minimum |
|--------------------------------------|---------|---------|
| <u>Year Ended December 31, 2021:</u> |         |         |
| Commercial                           | 3.10%   | 2.70%   |
| <u>Year Ended December 31, 2020:</u> |         |         |
| Commercial                           | NA      | NA      |

The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 69%.



The age analysis of mortgage loans by type and identification of mortgage loans in which the insurer is a participant or co-lender in a mortgage loan agreement is as follows:

|  | Commercial            | Mezzanine | Total     |
|--|-----------------------|-----------|-----------|
| <u>December 31, 2021:</u>                              | <i>(In Thousands)</i> |           |           |
| Current  | \$351,191             | \$26,689  | \$377,880 |
| Participant or co-lender in a mortgage loan agreement: |                       |           |           |
| Recorded investment <sup>(1)</sup>                     | \$19,122              | \$26,689  | \$45,811  |

|  | Commercial            | Mezzanine | Total     |
|--|-----------------------|-----------|-----------|
| <u>December 31, 2020:</u>                              | <i>(In Thousands)</i> |           |           |
| Current  | \$358,940             | \$26,671  | \$385,611 |
| Participant or co-lender in a mortgage loan agreement: |                       |           |           |
| Recorded investment <sup>(1)</sup>                     | \$42,399              | \$26,671  | \$69,070  |

<sup>(1)</sup> All of the Company's mortgage loans are participations with its parent company, Pacific Life. Such amount represents mortgage loan participations with both Pacific Life and unrelated third parties and excludes mortgage loan participations where the sole participants are the Company and Pacific Life.

The Company's mortgage loans primarily finance various types of properties throughout the U.S. and Canada. The geographic distributions of the mortgage loans book/adjusted carrying value were as follows:

|                      | December 31,          |                  |
|----------------------|-----------------------|------------------|
|                      | 2021                  | 2020             |
|                      | <i>(In Thousands)</i> |                  |
| California           | \$109,154             | \$102,935        |
| Illinois             | 59,568                | 59,875           |
| Texas                | 46,999                | 48,419           |
| Georgia              | 33,716                | 35,037           |
| Washington           | 32,677                | 32,852           |
| Massachusetts        | 32,605                | 32,744           |
| New York             | 26,689                | 26,671           |
| District of Columbia | 15,000                | 24,992           |
| North Carolina       | 9,768                 | 9,955            |
| Virginia             | 8,760                 | 8,755            |
| Other                | 2,944                 | 3,376            |
| Total                | <u>\$377,880</u>      | <u>\$385,611</u> |

As of December 31, 2021 and 2020, the carrying value and percentage of total mortgage loans for the largest single loan in each of the above states is as follows:

|                      | December 31,      |     |          |     |
|----------------------|-------------------|-----|----------|-----|
|                      | 2021              |     | 2020     |     |
|                      | (\$ In Thousands) |     |          |     |
| Illinois             | \$39,583          | 10% | \$39,899 | 10% |
| Georgia              | 33,716            | 9%  | 35,037   | 9%  |
| Washington           | 32,677            | 9%  | 32,852   | 9%  |
| Massachusetts        | 32,605            | 9%  | 32,744   | 8%  |
| California           | 28,086            | 7%  | 28,897   | 7%  |
| New York             | 26,689            | 7%  | 26,671   | 7%  |
| Texas                | 18,714            | 5%  | 19,084   | 5%  |
| District of Columbia | 15,000            | 4%  | 15,000   | 4%  |
| North Carolina       | 9,768             | 3%  | 9,955    | 3%  |
| Virginia             | 8,760             | 2%  | 8,755    | 2%  |

These loans are secured by a variety of property types, including office buildings, retail, apartments and lodging.

As of December 31, 2021, 2020 and 2019, the Company recognized in net investment income prepayment income of zero, \$2.5 million, and \$1.4 million, respectively, for early pay off mortgage loans.

The Company reviews the performance and credit quality of the mortgage loan portfolio on an on-going basis, including loan payment and collateral performance. Collateral performance includes a review of the most recent collateral inspection reports and financial statements. Analysts track each loan's debt service coverage ratio (DCR) and loan-to-value ratio (LTV). The DCR compares the collateral's net operating income to its debt service payments. DCRs less than 1.0 times indicate that the collateral operations do not generate enough income to cover the loan's current debt payments. A larger DCR indicates a greater excess of net operating income over the debt service. The LTV compares the amount of the loan to the fair value of the collateral and is commonly expressed as a percentage. LTVs greater than 100% indicate that the loan amount exceeds the collateral value. A smaller LTV percentage indicates a greater excess of collateral value over the loan amount. This includes troubled debt restructures (TDR) performing as agreed for more than one year.

The loan review process results in each loan being placed into a No Credit Concern category or one of three levels: Level 1 Minimal Credit Concern, Level 2 Moderate Credit Concern or Level 3 Significant Credit Concern. Loans in the No Credit Concern category are performing and no issues are noted. The collateral exhibits a strong DCR and LTV and there are no near term maturity concerns. The loan credit profile and borrower sponsorship have not experienced any significant changes and remain strong. For construction loans, projects are progressing as planned with no significant cost overruns or delays.

Level 1 loans are experiencing negative market pressure and outlook due to economic factors. Financial covenants may have been triggered due to declines in performance. There may be disputes between the borrower and contractors. Credit profile and/or borrower sponsorship remain stable but require monitoring. Near term (6 months or less) maturity requires monitoring due to negative trends. No impairment loss concerns exist under current conditions, however some possibility of loss may exist under stressed scenarios or changes in sponsorship financial strength.

Level 2 loans are experiencing significant or prolonged negative market pressure and uncertain outlook due to economic factors; financial covenants may have been triggered due to declines in performance and/or the borrower may have requested covenant relief. There may be disputes between the borrower and contractors. Loan credit profile, borrower sponsorship and/or collateral value may have declined or given cause for concern. Near term maturity (12 months or less) coupled with negative market conditions, property performance and value and/or borrower stability result in increased refinance risk. Likelihood for TDR, impairment and loss is increased. This includes all loans performing as agreed during the first year of a TDR unless assigned to Level 3.

Level 3 loans are experiencing prolonged and/or severe negative market trends, declines in collateral performance and value, and/or borrower financial difficulties exist. Borrower may have asked for modification of loan terms. Without additional capital infusion

and/or acceptable modification to existing loan terms, default is likely and foreclosure the probable alternative. Impairment loss is possible depending on current fair market value of the collateral. This category includes loans in default and previously impaired restructured loans that underperform despite modified terms and/or for which future loss is probable.

Loans classified as Level 1 through Level 3 are placed on a watch list and monitored monthly, subject to the terms of the loan agreement. Loans that have been identified as Level 3 are evaluated to determine if the loan is impaired. A loan is impaired if it is probable that amounts due according to the contractual terms of the loan agreement will not be collected.

As of December 31, 2021 and 2020, the Company had no loans classified as Level 2.

The Company is working with borrowers who are experiencing financial difficulty as a direct result of the COVID-19 pandemic. When necessary, the Company is providing loan modifications to assist borrowers with their present circumstances. These loans are accruing interest and are classified as current when performing under the terms of the modified loan agreement. On April 7, 2020, a group of banking agencies issued an Interagency Statement that offers practical expedients for evaluating whether loan modifications that occur in response to COVID-19 are TDR consistent with the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Consolidated Appropriations Act, signed into law on December 27, 2020 extended the relief offered in the CARES Act through January 1, 2022 and clarified that insurance companies are covered under the CARES Act. The Company's loan modifications will fall within the guidance of either the April 7, 2020 Interagency Statement or the CARES Act, both as adopted by the NAIC under INT 20-03, and do not qualify as TDRs. As of December 31, 2021, the Company has provided modification in the form of principal and/or interest payment relief and extension of maturity dates to mortgage loans with a total book value of \$72.3 million. These loans do not qualify as TDRs.

The following tables set forth mortgage loan credit levels as of December 31, 2021 and 2020 (*\$ In Thousands*):

| December 31, 2021 |                    |                |                                      |                |  |                |                    |                |
|-------------------|--------------------|----------------|--------------------------------------|----------------|--|----------------|--------------------|----------------|
| Type              | No Credit Concern  |                | Level 1<br>Minimal Credit<br>Concern |                | Level 3<br>Significant<br>Credit Concern |                | Total              |                |
|                   | Carrying<br>Amount | Weighted       | Carrying<br>Amount                   | Weighted       | Carrying<br>Amount                       | Weighted       | Carrying<br>Amount | Weighted       |
|                   |                    | Average<br>DCR |                                      | Average<br>DCR |  | Average<br>DCR |                    | Average<br>DCR |
| Office            | \$199,593          | 1.79           |                                      |                |  |                | \$199,593          | 1.79           |
| Retail            | 32,677             | 1.75           |                                      |                | \$39,583                                 | 0.75           | 72,260             | 1.20           |
| Apartment         | 45,255             | 1.38           |                                      |                |  |                | 45,255             | 1.38           |
| Lodging           | 37,854             | 4.28           |                                      |                |  |                | 37,854             | 4.28           |
| Industrial        | 19,975             | 2.30           |                                      |                |  |                | 19,975             | 2.30           |
| Golf course       |                    |                | \$2,943                              | 0.15           |  |                | 2,943              | 0.15           |
| <b>Total</b>      | <b>\$335,354</b>   | <b>2.04</b>    | <b>\$2,943</b>                       | <b>0.15</b>    | <b>\$39,583</b>                          | <b>0.75</b>    | <b>\$377,880</b>   | <b>1.89</b>    |

| December 31, 2020 |                    |                |                                      |                |  |                |                    |                |
|-------------------|--------------------|----------------|--------------------------------------|----------------|--|----------------|--------------------|----------------|
| Type              | No Credit Concern  |                | Level 1<br>Minimal Credit<br>Concern |                | Level 3<br>Significant<br>Credit Concern |                | Total              |                |
|                   | Carrying<br>Amount | Weighted       | Carrying<br>Amount                   | Weighted       | Carrying<br>Amount                       | Weighted       | Carrying<br>Amount | Weighted       |
|                   |                    | Average<br>DCR |                                      | Average<br>DCR |  | Average<br>DCR |                    | Average<br>DCR |
| Office            | \$225,902          | 1.63           | \$8,755                              | 1.18           |  |                | \$234,657          | 1.61           |
| Retail            | 32,852             | 1.48           | 39,899                               | 1.10           |  |                | 72,751             | 1.27           |
| Apartment         | 26,640             | 1.45           | 9,334                                | 1.19           |  |                | 35,974             | 1.38           |
| Lodging           | 28,897             | 1.36           | 9,955                                | 1.48           |  |                | 38,852             | 1.39           |
| Golf course       |                    |                | 3,377                                | (0.51)         |  |                | 3,377              | (0.51)         |
| <b>Total</b>      | <b>\$314,291</b>   | <b>1.57</b>    | <b>\$71,320</b>                      | <b>1.10</b>    |  |                | <b>\$385,611</b>   | <b>1.48</b>    |

#### JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

The Company does not have investments in joint ventures, partnerships and limited liability companies that exceed 10% of admitted assets of the Company as of December 31, 2021 and 2020. The Company does not have impaired investments in joint ventures, partnerships and limited liability companies during the years ended December 31, 2021, 2020 and 2019, respectively.

#### 4. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's financial assets and liabilities that are carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by SSAP No. 100R, Fair Value. The determination of fair value requires the use of observable market data when available. The hierarchy consists of the following three levels that are prioritized based on observable and unobservable inputs.

- Level 1 Unadjusted quoted prices for identical instruments in active markets. Level 1 financial instruments include securities that are traded in an active exchange market.
- Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in inactive markets, and model-derived valuations for which all significant inputs are observable market data.
- Level 3 Valuations derived from valuation techniques in which one or more significant inputs are not market observable.

The following tables present, by fair value hierarchy level, the Company's financial instruments that are carried at fair value or net asset value (NAV) as of December 31, 2021 and 2020.

|  | Level 1     | Level 2 | Level 3 | NAV      | Total       |
|--|-------------|---------|---------|----------|-------------|
| <i>(In Thousands)</i>                    |             |         |         |          |             |
| <u>December 31, 2021:</u>                |             |         |         |          |             |
| Assets:                                  |             |         |         |          |             |
| Common stocks:                           |             |         |         |          |             |
| Industrial and miscellaneous             |             |         | \$3,647 |          | \$3,647     |
| Total common stocks                      | —           | —       | 3,647   | —        | 3,647       |
| Derivatives:                             |             |         |         |          |             |
| Foreign currency and interest rate swaps |             | \$7,535 |         |          | 7,535       |
| Equity derivatives                       | \$6,391     |         | 2,243   |          | 8,634       |
| Total derivatives                        | 6,391       | 7,535   | 2,243   | —        | 16,169      |
| Separate account assets <sup>(1)</sup>   | 3,472,565   |         |         | \$17,996 | 3,490,561   |
| Total                                    | \$3,478,956 | \$7,535 | \$5,890 | \$17,996 | \$3,510,377 |
| Liabilities:                             |             |         |         |          |             |
| Derivatives:                             |             |         |         |          |             |
| Foreign currency and interest rate swaps |             | \$4,716 |         |          | \$4,716     |
| Equity derivatives                       |             |         | \$316   |          | 316         |
| Total                                    | \$—         | \$4,716 | \$316   | \$—      | \$5,032     |

|  | Level 1               | Level 2  | Level 3 | NAV      | Total       |
|--|-----------------------|----------|---------|----------|-------------|
| <u>December 31, 2020:</u>                | <i>(In Thousands)</i> |          |         |          |             |
| Assets:                                  |                       |          |         |          |             |
| Common stocks:                           |                       |          |         |          |             |
| Industrial and miscellaneous             |                       |          | \$4,639 |          | \$4,639     |
| Total common stocks                      | —                     | —        | 4,639   | —        | 4,639       |
| Derivatives:                             |                       |          |         |          |             |
| Foreign currency and interest rate swaps |                       | \$15,083 |         |          | 15,083      |
| Equity derivatives                       | \$8,393               |          | 1,595   |          | 9,988       |
| Total derivatives                        | 8,393                 | 15,083   | 1,595   | —        | 25,071      |
| Separate account assets <sup>(1)</sup>   | 3,180,187             |          |         | \$18,897 | 3,199,084   |
| Total                                    | \$3,188,580           | \$15,083 | \$6,234 | \$18,897 | \$3,228,794 |
| Liabilities:                             |                       |          |         |          |             |
| Derivatives:                             |                       |          |         |          |             |
| Foreign currency and interest rate swaps |                       | \$385    |         |          | \$385       |
| Equity derivatives                       |                       |          | \$315   |          | 315         |
| Total                                    | \$—                   | \$385    | \$315   | \$—      | \$700       |

<sup>(1)</sup> Consists of separate account assets that are primarily invested in mutual funds and hedge funds. Investment performance related to separate account assets is offset by corresponding amounts credited to contract holders whose liability is recorded in the separate account liabilities. Separate account liabilities are measured to equal the fair value of separate account assets.

#### FAIR VALUE MEASUREMENT

The following describes the valuation methodologies used by the Company to measure various types of financial instruments at fair value.

#### BONDS, PREFERRED STOCKS AND COMMON STOCKS

The fair values of bonds, preferred stocks and common stocks are determined by management after considering external pricing sources and internal valuation techniques. For securities with sufficient trading volume, prices are obtained from third-party pricing services. For securities that are traded infrequently, fair values are determined after evaluating prices obtained from third-party pricing services and independent brokers or are valued internally using various valuation techniques.

The Company's management analyzes and evaluates prices received from independent third parties and determines whether they are reasonable estimates of fair value. Management's analysis may include, but is not limited to, review of third-party pricing methodologies and inputs, analysis of recent trades, comparison to prices received from other third parties and development of internal models utilizing observable market data of comparable securities. The Company assesses the reasonableness of valuations received from independent brokers by considering current market dynamics and current pricing for similar securities.

For prices received from independent pricing services, the Company applies a formal process to challenge any prices received that are not considered representative of fair value. If prices received from independent pricing services are not considered reflective of market activity or representative of fair value, independent non-binding broker quotations are obtained or an internally developed valuation is prepared. Upon evaluation, the Company determines which source represents the best estimate of fair value. Overrides of third-party prices to internally developed valuations of fair value did not produce material differences in the fair values for the majority of the portfolio; accordingly, overrides were not material. In the absence of such market observable activity, management's best estimate is used.

Fair values determined by internally derived valuation tools use market-observable data if available. Generally, this includes using an actively traded comparable security as a benchmark for pricing. These internal valuation methods primarily represent discounted cash flow models that incorporate significant assumptive inputs such as spreads, discount rates, default rates, severity and prepayment speeds. These inputs are analyzed by the Company's portfolio managers and analysts, investment accountants and risk managers. Internally developed estimates may also use unobservable data, which reflect the Company's own assumptions about the inputs market participants would use.

Most securities priced by a major independent third-party service have been classified as Level 2, as management has verified that the significant inputs used in determining their fair values are market observable and appropriate. Externally priced securities for which fair value measurement inputs are not sufficiently transparent, such as securities valued based on broker quotations, have been classified as Level 3. Internally valued securities, including adjusted prices received from independent third parties, where significant management assumptions have been utilized in determining fair value, have been classified as Level 3. Securities categorized as Level 1 consist primarily of investments in mutual funds.

The Company applies controls over the valuation process. Prices are reviewed and approved by the Company's professional credit analysts that have industry expertise and considerable knowledge of the issuers. Management performs validation checks to determine the completeness and reasonableness of the pricing information, which include, but are not limited to, changes from identified pricing sources, significant or unusual price fluctuations above predetermined tolerance levels from the prior period, and back-testing of fair values against prices of actual trades. A group comprised of the Company's investment accountants, portfolio managers and analysts and risk managers meet to discuss any unusual items above the tolerance levels that may have been identified in the pricing review process. These items are investigated, further analysis is performed and resolutions are appropriately documented.

#### DERIVATIVE INSTRUMENTS

Derivative instruments are reported at fair value using pricing valuation models which utilize market data inputs or independent broker quotations or exchange prices for exchange-traded futures. The Company calculates the fair value of derivatives using market standard valuation methodologies for foreign currency and interest rate swaps and equity options. Internal models are used to value equity total return swaps. The derivatives are valued using mid-market inputs that are predominantly observable in the market. Inputs include, but are not limited to, interest swap rates, foreign currency forward and spot rates, credit spreads and correlations, interest volatility, equity volatility and equity index levels. On a monthly basis, the Company performs an analysis of derivative valuations, which includes both quantitative and qualitative analyses. Examples of procedures performed include, but are not limited to, review of pricing statistics and trends, analysis of the impacts of changes in the market environment and review of changes in the market value for each derivative by both risk managers and investment accountants. Internally calculated fair values are reviewed and compared to external broker fair values for reasonableness.

Derivative instruments classified as Level 1 are exchange-traded. Derivative instruments classified as Level 2 primarily include foreign currency and interest rate swaps. The derivative valuations are determined using pricing models with inputs that are observable in the market or can be derived principally from or corroborated by observable market data, primarily interest swap rates, interest rate volatility and foreign currency forward and spot rates.

Derivative instruments classified as Level 3 include complex derivatives, such as equity options and total return swaps. These derivatives are valued using pricing models which utilize both observable and unobservable inputs, primarily interest rate volatility, equity volatility, equity index levels and, to a lesser extent, broker quotations. A derivative instrument containing Level 2 inputs would be classified as a Level 3 financial instrument in its entirety if it has at least one significant Level 3 input.

#### SEPARATE ACCOUNT ASSETS

The fair value of separate account assets is based on the fair value or NAV of the underlying assets. Separate account assets held at fair value primarily consist of mutual funds and hedge funds.

Level 1 separate account assets include mutual funds that are valued based on reported net asset values provided by fund managers daily and can be redeemed without restriction. Management performs validation checks to determine the reasonableness of the pricing information, which include, but are not limited to, price fluctuations above predetermined thresholds from the prior day and validation against similar funds or indices. Variances are investigated, further analysis is performed and resolutions are appropriately documented.

### Investments Measured Using the NAV Practical Expedient

Separate account assets include hedge funds where the fair value is based on the net asset value obtained from the fund managers. Investment strategies related to separate account hedge funds include multi-strategy primarily invested in U.S. and international equity, fixed income, long/short equity, loans, derivatives, privately held companies and private partnerships. The redemption frequency is quarterly. There are no remaining lockup periods or unfunded commitments of investments measured using the NAV practical expedient as of December 31, 2021.

### LEVEL 3 RECONCILIATION

The tables below present a reconciliation of the beginning and ending balances of the Level 3 financial instruments that are carried at fair value using significant unobservable inputs:

|                       | January 1,<br>2021 | Transfers<br>into<br>Level 3 <sup>(1)</sup> | Transfers<br>out of<br>Level 3 <sup>(1)</sup> | Total Gains or (Losses)      |                        | Purchases      | Sales            | Settlements      | December 31,<br>2021 |
|-----------------------|--------------------|---|---|------------------------------|------------------------|----------------|------------------|------------------|----------------------|
|                       |                    |   |   | Included in<br>Net<br>Income | Included in<br>Surplus |                |                  |                  |                      |
| <i>(In Thousands)</i> |                    |   |   |                              |                        |                |                  |                  |                      |
| Common stocks         | \$4,639            |   |   | \$32                         | (\$33)                 | \$1,276        | (\$2,267)        |                  | \$3,647              |
| Derivatives, net      | 1,280              |   |   | 2,849                        | (15)                   | 777            |                  | (\$2,964)        | 1,927                |
| <b>Total</b>          | <b>\$5,919</b>     | <b>\$—</b>                                  | <b>\$—</b>                                    | <b>\$2,881</b>               | <b>(\$48)</b>          | <b>\$2,053</b> | <b>(\$2,267)</b> | <b>(\$2,964)</b> | <b>\$5,574</b>       |
|                       | January 1,<br>2020 | Transfers<br>into<br>Level 3 <sup>(1)</sup> | Transfers<br>out of<br>Level 3 <sup>(1)</sup> | Total Gains or (Losses)      |                        | Purchases      | Sales            | Settlements      | December 31,<br>2020 |
| <i>(In Thousands)</i> |                    |   |   |                              |                        |                |                  |                  |                      |
| Common stocks         | \$4,639            |   |   |                              |                        |                |                  |                  | \$4,639              |
| Derivatives, net      | (1,079)            |   |   | \$2,142                      | \$2,192                |                |                  | (\$1,975)        | 1,280                |
| <b>Total</b>          | <b>\$3,560</b>     | <b>\$—</b>                                  | <b>\$—</b>                                    | <b>\$2,142</b>               | <b>\$2,192</b>         | <b>\$—</b>     | <b>\$—</b>       | <b>(\$1,975)</b> | <b>\$5,919</b>       |

<sup>(1)</sup> Transfers in and/or out are recognized at the end of each quarter.



The book/adjusted carrying values and fair values of the Company's financial instruments are presented in the following table.

| December 31, 2021                                     |             |                              |           |             |           |          |                                  |
|---|-------------|------------------------------|-----------|-------------|-----------|----------|----------------------------------|
|   | Fair Value  | Book/Adjusted Carrying Value | Level 1   | Level 2     | Level 3   | NAV      | Not Practicable (Carrying Value) |
| <i>(In Thousands)</i>                                 |             |                              |           |             |           |          |                                  |
| <b>Assets:</b>  |             |                              |           |             |           |          |                                  |
| Bonds   | \$5,275,417 | \$4,533,525                  |           | \$5,201,142 | \$74,275  |          |                                  |
| Common stocks   | 3,647       | 3,647                        |           |             | 3,647     |          |                                  |
| Mortgage loans  | 399,541     | 377,880                      |           |             | 399,541   |          |                                  |
| Cash and cash equivalents                             | 74,065      | 74,065                       | \$74,065  |             |           |          |                                  |
| Contract loans  | 9,747       | 9,747                        |           |             | 9,747     |          |                                  |
| Derivatives, net                                      | 11,137      | 11,137                       | 6,391     | 2,819       | 1,927     |          |                                  |
| Other invested assets <sup>(1)</sup>                  | 28,572      | 24,939                       |           | 28,572      |           |          |                                  |
| Separate account assets                               | 3,490,561   | 3,490,561                    | 3,472,565 |             |           | \$17,996 |                                  |
| <b>Liabilities:</b>                                   |             |                              |           |             |           |          |                                  |
| Liability for deposit-type contracts                  | 1,008,086   | 860,645                      |           |             | 1,008,086 |          |                                  |
| Separate account liability for deposit type contracts | 3,462       | 3,462                        |           |             | 3,462     |          |                                  |
| <b>December 31, 2020</b>                              |             |                              |           |             |           |          |                                  |
|   | Fair Value  | Book/Adjusted Carrying Value | Level 1   | Level 2     | Level 3   | NAV      | Not Practicable (Carrying Value) |
| <i>(In Thousands)</i>                                 |             |                              |           |             |           |          |                                  |
| <b>Assets:</b>  |             |                              |           |             |           |          |                                  |
| Bonds   | \$5,330,872 | \$4,362,159                  |           | \$5,249,447 | \$81,425  |          |                                  |
| Preferred stocks                                      | 2,093       | 1,820                        |           | 2,093       |           |          |                                  |
| Common stocks   | 4,639       | 4,639                        |           |             | 4,639     |          |                                  |
| Mortgage loans  | 402,406     | 385,611                      |           |             | 402,406   |          |                                  |
| Cash and cash equivalents                             | 134,568     | 134,568                      | \$134,568 |             |           |          |                                  |
| Contract loans  | 8,146       | 8,146                        |           |             | 8,146     |          |                                  |
| Derivatives, net                                      | 24,371      | 24,371                       | 8,393     | 14,698      | 1,280     |          |                                  |
| Other invested assets <sup>(1)</sup>                  | 29,408      | 24,938                       |           | 29,408      |           |          |                                  |
| Separate account assets                               | 3,199,084   | 3,199,084                    | 3,180,187 |             |           | \$18,897 |                                  |
| <b>Liabilities:</b>                                   |             |                              |           |             |           |          |                                  |
| Liability for deposit-type contracts                  | 1,060,615   | 861,988                      |           |             | 1,060,615 |          |                                  |
| Separate account liability for deposit type contracts | 3,256       | 3,256                        |           |             | 3,256     |          |                                  |

<sup>(1)</sup> Excludes investments accounted for under the equity method.

The tables above exclude the following financial instruments: investment income due and accrued and derivatives collateral receivable and payable. The fair value of these financial instruments, which are primarily classified as Level 2, approximates carrying value as they are short-term in nature such that there is minimal risk of material changes in fair value due to changes in interest rates or counterparty credit.

The following methods and assumptions were used to estimate the fair value of these financial instruments as of December 31, 2021 and 2020:

#### MORTGAGE LOANS

The fair value of the mortgage loan portfolio is determined by discounting the estimated future cash flows, using current rates that are applicable to similar credit quality, property type and average maturity of the composite portfolio.

#### CASH AND CASH EQUIVALENTS

Cash equivalents are money market mutual funds that have fair values that approximate their book/adjusted carrying values due to the short maturities of the underlying investments of the funds. The carrying value of cash approximates the fair value.

#### CONTRACT LOANS

Contract loans are not separable from their associated insurance contract and bear no credit risk since they do not exceed the contract's cash surrender value, making these assets fully secured by the cash surrender value of the contracts. Therefore, the carrying amount of the contract loans is a reasonable approximation of fair value.

#### OTHER INVESTED ASSETS

Other invested assets consist of surplus note investments held from other insurance providers. The fair value of the surplus note investments are priced by an independent pricing service as described for bonds above.

#### LIABILITY FOR DEPOSIT-TYPE CONTRACTS

The primary methods used to determine the estimated fair value of liability for deposit-type contracts are based on discounted cash flow methodologies using significant unobservable inputs.

#### SEPARATE ACCOUNT LIABILITY FOR DEPOSIT-TYPE CONTRACTS

The statement value of separate account liability for deposit-type contracts is reported under separate account liabilities and is a reasonable estimate of their fair value because the contractual interest rates are variable and based on current market rates.

## 5. DERIVATIVE INSTRUMENTS

The Company primarily utilizes derivative instruments to manage its exposure to interest rate risk, foreign currency risk and equity risk, collectively “market risk”, and credit risk. Derivative instruments are also used to manage the duration mismatch of general account assets and liabilities. Derivatives may be exchange-traded or contracted in the over-the-counter (OTC) market. The Company’s OTC derivatives are primarily bilateral contracts between two counterparties. Certain of the Company’s OTC derivatives are cleared and settled through central clearing counterparties. The Company utilizes a variety of derivative instruments including swaps, exchange-traded futures and options.

Market risk is the possibility that future changes in market conditions may make the derivative financial instrument less valuable. Credit risk is defined as the possibility that a loss may occur from the failure of another party to perform in accordance with the terms of the contract, which exceeds the value of existing collateral, if any. The Company mitigates these risks through established market and credit risk limits.

The following table summarizes the notional amount, net carrying value, and fair value of the Company's derivative instruments by derivative type. Cash collateral received from or pledged to counterparties is not included in the amounts below.

|                               | Notional<br>Amount | Net<br>Carrying<br>Value | Fair Value      |
|-------------------------------|--------------------|--------------------------|-----------------|
| <u>December 31, 2021:</u>     |                    |                          |                 |
|                               |                    | <i>(In Thousands)</i>    |                 |
| Equity total return swaps     | \$26,529           | (\$316)                  | (\$316)         |
| Equity futures                | 122,866            | 6,391                    | 6,391           |
| Equity call options           | 41,360             | 2,243                    | 2,243           |
| Foreign currency swaps        | 3,213              | 506                      | 506             |
| Interest rate swaps           | 233,115            | 2,313                    | 2,313           |
| Total                         | <u>\$427,083</u>   | <u>\$11,137</u>          | <u>\$11,137</u> |
| <br><u>December 31, 2020:</u> |                    |                          |                 |
| Equity total return swaps     | \$20,896           | (\$301)                  | (\$301)         |
| Equity futures                | 130,298            | 8,393                    | 8,393           |
| Equity call options           | 38,180             | 1,581                    | 1,581           |
| Foreign currency swaps        | 3,713              | 623                      | 623             |
| Interest rate swaps           | 180,350            | 14,075                   | 14,075          |
| Total                         | <u>\$373,437</u>   | <u>\$24,371</u>          | <u>\$24,371</u> |

Notional amount represents a standard of measurement of the volume of derivatives. Notional amount is not a quantification of market risk or credit risk and is not recorded in the statements of admitted assets, liabilities and capital and surplus - statutory basis. Notional amounts generally represent those amounts used to calculate contractual cash flows to be exchanged and are not paid or received, except for certain contracts such as foreign currency swaps.

Cash collateral received from OTC counterparties was \$1.2 million and \$6.3 million as of December 31, 2021 and 2020, respectively. Cash collateral pledged to OTC counterparties was \$7.2 million and zero as of December 31, 2021 and 2020, respectively.

The Company is required to pledge initial margin for all futures contracts. The amount of required margin is determined by the exchange on which it is traded. The Company pledged cash to satisfy this collateral requirement. Cash pledged for initial margin was \$6.4 million and \$8.4 million as of December 31, 2021 and 2020, respectively.

## DERIVATIVES DESIGNATED AS FAIR VALUE HEDGES

The Company offers life insurance products with indexed account options. The interest credited on the indexed accounts is a function of the underlying domestic and/or international equity index, subject to various caps, thresholds and participation rates.

The Company utilizes equity call options to hedge the credit paid to the policyholder on the underlying index for its life insurance products with indexed account options. These equity call options are contracts to buy the index at a predetermined time at a contracted price. The contracts will be net settled in cash based on differentials in the index at the time of exercise and the strike price subject to a cap, net of option premiums. These equity call options are designated as a fair value hedge under statutory accounting principles with changes in fair value recorded in net realized capital losses less tax.

For the years ended December 31, 2021, 2020 and 2019, \$1.5 million, \$1.5 million and \$1.3 million, respectively, of option premium expense recorded in net investment income for the one-year equity call options hedging life indexed account insurance products was excluded from the assessment of hedge effectiveness. For all other hedging relationships, no component of the hedging instrument's fair value was excluded from the assessment of hedge effectiveness.

## DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS

The Company offers a rider on certain variable annuity contracts that guarantees net principal over specified periods, as well as riders on certain variable annuity contracts that guarantee a minimum withdrawal benefit over specified periods, subject to certain restrictions.

The Company utilizes total return swaps and exchange-traded futures based upon domestic and international equity market indices to economically hedge the equity risk of the guarantees in its variable annuity products. Total return swaps are swaps whereby the Company agrees to exchange the difference between the economic risk and reward of an equity index and a floating rate of interest, calculated by reference to an agreed upon notional amount. Cash is paid and received over the life of the contract based on the terms of the swap. In exchange-traded futures transactions, the Company agrees to purchase or sell a specified number of contracts, the values of which are determined by the underlying equity indices, and to post variation margin on a daily basis in an amount equal to the change in the daily fair value of those contracts. The Company also utilizes interest rate swaps to manage interest rate risk in the variable annuity products.

Foreign currency interest rate swap agreements are used to convert fixed or floating rate foreign-denominated assets to U.S. dollar fixed or floating rate assets. A foreign currency interest rate swap involves the exchange of an initial principal amount in two currencies, and the agreement to re-exchange the currencies at a future date, at an agreed-upon exchange rate. There are also periodic exchanges of interest payments in the two currencies at specified intervals, calculated using agreed-upon interest rates, exchange rates, and the exchanged principal amounts. The Company enters into these agreements primarily to manage the currency risk associated with investments that are denominated in foreign currencies. The main currency that the Company economically hedges is the Canadian dollar.

Interest rate swaps are used by the Company to reduce market risk from changes in interest rates and other interest rate exposure arising from duration mismatches between assets and liabilities. An interest rate swap agreement involves the exchange, at specified intervals, of interest payments resulting from the difference between fixed rate and floating rate interest amounts calculated by reference to an underlying notional amount. Generally, no cash is exchanged at the outset of the contract and no principal payments are made by either party.

The average and ending fair value of derivatives not designated as hedging instruments are as follows:

|                           | Average Fair Value<br>Years Ended<br>December 31, |                 | Ending Fair Value<br>as of<br>December 31, |                |                 |              |
|---------------------------|---|-----------------|--|----------------|-----------------|--------------|
|                           | 2021  | 2020            | 2021                                       |                | 2020            |              |
|                           |   |                 | Asset                                      | Liability      | Asset           | Liability    |
|                           |   |                 | <i>(In Thousands)</i>                      |                |                 |              |
| Equity futures            | \$6,914   | \$13,821        | \$6,391                                    |                | \$8,393         |              |
| Foreign currency swaps    | 538   | 901             | 506  |                | 623             |              |
| Interest rate swaps       | 3,848   | 15,406          | 7,029                                      | \$4,716        | 14,461          | \$386        |
| Equity total return swaps | 90  | 1,018           |  | 316            | 14              | 315          |
| Equity call options       | 13  |                 | 34   |                | 3               |              |
| <b>Total</b>              | <b>\$11,403</b>                                   | <b>\$31,146</b> | <b>\$13,960</b>                            | <b>\$5,032</b> | <b>\$23,494</b> | <b>\$701</b> |

The following table summarizes the surplus and net realized capital gains (losses) impact on derivative instruments not designated as hedging instruments.

|                           | Years Ended December 31, |                |                  | Years Ended December 31,            |                   |                   |
|---------------------------|--------------------------|----------------|------------------|-------------------------------------|-------------------|-------------------|
|                           | 2021                     | 2020           | 2019             | 2021                                | 2020              | 2019              |
|                           | Surplus                  |                |                  | Net Realized Capital Gains (Losses) |                   |                   |
|                           | <i>(In Thousands)</i>    |                |                  |                                     |                   |                   |
| Equity futures            | \$431                    | (\$1,698)      | (\$4,360)        | (\$27,276)                          | (\$62,345)        | (\$16,569)        |
| Equity total return swaps | (15)                     | 2,192          | (5,812)          |                                     |                   |                   |
| Foreign currency swaps    | (117)                    | (143)          | (154)            |                                     |                   |                   |
| Interest rate swaps       | (11,762)                 | 9,172          | 4,904            |                                     |                   |                   |
| Equity call options       | 30                       | 3              |                  |                                     |                   |                   |
| <b>Total</b>              | <b>(\$11,433)</b>        | <b>\$9,526</b> | <b>(\$5,422)</b> | <b>(\$27,276)</b>                   | <b>(\$62,345)</b> | <b>(\$16,569)</b> |

For the years ended December 31, 2021, 2020 and 2019, net gains or (losses) from periodic net settlements recorded in net investment income were (\$1.8) million, \$9.7 million and (\$12.1) million, respectively.

For equity call options with deferred financing premiums which are paid at the end of the derivative contract, summarized in the tables below are the undiscounted future settled premium commitments, equity call option fair value and equity call option fair value excluding impact of discounted future settled premiums *(In Thousands)*:

| Years Ending December 31:                                    | Premium<br>Payments Due |
|--|-------------------------|
| 2022   | \$1,501 <sup>(1)</sup>  |
| 2023   |                         |
| 2024   |                         |
| 2025   |                         |
| 2026 and thereafter  |                         |
| <b>Total undiscounted future settled premium commitments</b> | <b>\$1,501</b>          |

<sup>(1)</sup> Premium payments are expected to be made monthly, based upon current maturity date of derivative contracts.

| Years Ending December 31: | Undiscounted<br>Future<br>Premium<br>Commitments | Equity Call<br>Option Fair<br>Value | Equity Call<br>Option Fair<br>Value<br>Excluding<br>Impact of<br>Discounted<br>Future Settled<br>Premiums |
|---------------------------|--|-------------------------------------|---|
| 2021                      | \$1,501  | \$2,243                             | \$2,243   |
| 2020                      | 1,549  | 1,581 <sup>(1)</sup>                | 2,374   |

<sup>(1)</sup> The equity call option fair value excludes accrued premium liability of \$0.8 million as of December 31, 2020.

#### DERIVATIVE CREDIT EXPOSURE

The Company is exposed to credit-related losses in the event of nonperformance by derivative counterparties to OTC derivatives. The Company manages its credit risk by dealing with creditworthy counterparties, establishing risk-control limits, executing legally enforceable master netting agreements, and obtaining collateral where appropriate. In addition, the Company evaluates the financial stability of each counterparty before entering into each agreement and throughout the period that the financial instrument is owned.

The Company's OTC-cleared derivatives are effected through central clearing counterparties and its exchange-traded derivatives are effected through regulated exchanges. Such positions are marked to market and margined on a daily basis (both initial margin and variation margin), and the Company has minimal exposure to credit-related losses in the event of nonperformance by counterparties to such derivatives.

For OTC derivative transactions, the Company enters into legally enforceable master netting agreements which provide for the netting of payments and receipts with a single counterparty. The net position with each counterparty is calculated as the aggregate fair value of all derivative instruments with each counterparty, net of income or expense accruals and collateral paid or received. These master netting agreements include collateral arrangements with derivative counterparties, which requires positions be marked to market and margined on a daily basis by the daily settlement of variation margin. The Company has minimal counterparty exposure to credit-related losses in the event of non performance by these counterparties.

The OTC agreements may include a termination event clause associated with financial strength ratings assigned by certain independent rating agencies. If these financial strength ratings were to fall below a specified level, as defined within each counterparty master agreement, or if one of the rating agencies were to cease to provide a financial strength rating, the counterparty could terminate the master agreement with payment due based on the net fair value of the underlying derivatives. As of December 31, 2021 and 2020, the Company's financial strength ratings were above the specified level.

The Company's credit exposure is measured on a counterparty basis as the net positive fair value of all derivative positions with the counterparty, net of income or expense accruals and collateral received. The Company's credit exposure for OTC derivatives as of December 31, 2021 was \$0.2 million. The maximum exposure to any single counterparty was \$0.1 million as of December 31, 2021. All of the net credit exposure for the Company from derivative contracts is with investment-grade counterparties. The Company has not incurred any losses on derivative financial instruments due to counterparty nonperformance for the years ended December 31, 2021, 2020 and 2019. The Company does not expect any counterparties to fail to meet their obligations given their investment-grade ratings.

## 6. INCOME TAXES

The components of net admitted deferred tax assets are as follows:

|  | December 31, 2021     |         |          | December 31, 2020     |         |          |
|--|-----------------------|---------|----------|-----------------------|---------|----------|
|  | Ordinary              | Capital | Total    | Ordinary              | Capital | Total    |
|  | <i>(In Thousands)</i> |         |          | <i>(In Thousands)</i> |         |          |
| Gross deferred tax assets                | \$46,864              | \$5,244 | \$52,108 | \$44,221              | \$4,589 | \$48,810 |
| Statutory valuation allowance adjustment |                       |         |          |                       |         |          |
| Adjusted gross deferred tax assets       | 46,864                | 5,244   | 52,108   | 44,221                | 4,589   | 48,810   |
| Deferred tax assets nonadmitted          | 22,624                | 1,999   | 24,623   | 20,619                | 1,846   | 22,465   |
| Net admitted deferred tax asset          | 24,240                | 3,245   | 27,485   | 23,602                | 2,743   | 26,345   |
| Deferred tax liabilities                 | 8,576                 | 3,245   | 11,821   | 9,294                 | 2,743   | 12,037   |
| Net admitted deferred tax asset          | \$15,664              | \$—     | \$15,664 | \$14,308              | \$—     | \$14,308 |
|  |                       |         |          | Change during 2021    |         |          |
|  | Ordinary              | Capital | Total    | <i>(In Thousands)</i> |         |          |
| Gross deferred tax assets                | \$2,643               | \$655   | \$3,298  |                       |         |          |
| Statutory valuation allowance adjustment |                       |         |          |                       |         |          |
| Adjusted gross deferred tax assets       | 2,643                 | 655     | 3,298    |                       |         |          |
| Deferred tax assets nonadmitted          | 2,005                 | 153     | 2,158    |                       |         |          |
| Net admitted deferred tax asset          | 638                   | 502     | 1,140    |                       |         |          |
| Deferred tax liabilities                 | (718)                 | 502     | (216)    |                       |         |          |
| Net admitted deferred tax asset          | \$1,356               | \$—     | \$1,356  |                       |         |          |

The admission calculation components of SSAP No. 101, Income Taxes, are as follows:

|  | December 31, 2021     |                |                 | December 31, 2020     |                |                 |
|--|-----------------------|----------------|-----------------|-----------------------|----------------|-----------------|
|  | Ordinary              | Capital        | Total           | Ordinary              | Capital        | Total           |
|  | <i>(In Thousands)</i> |                |                 | <i>(In Thousands)</i> |                |                 |
| Federal income taxes paid in prior years recoverable through loss carrybacks                             | \$—                   |                | \$—             | \$—                   |                | \$—             |
| Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation | 15,664                |                | 15,664          | 14,308                |                | 14,308          |
| Adjusted gross deferred tax assets expected to be realized following the balance sheet date              | 15,664                |                | 15,664          | 14,308                |                | 14,308          |
| Adjusted gross deferred tax assets allowed per limitation threshold                                      |                       |                | 78,182          |                       |                | 81,069          |
| Adjusted gross deferred tax assets offset by gross deferred tax liabilities                              | 8,576                 | \$3,245        | 11,821          | 9,294                 | \$2,743        | 12,037          |
| Deferred tax assets admitted as the result of application of SSAP No. 101                                | <u>\$24,240</u>       | <u>\$3,245</u> | <u>\$27,485</u> | <u>\$23,602</u>       | <u>\$2,743</u> | <u>\$26,345</u> |

|  | Change during 2021    |              |                |
|--|-----------------------|--------------|----------------|
|  | Ordinary              | Capital      | Total          |
|  | <i>(In Thousands)</i> |              |                |
| Federal income taxes paid in prior years recoverable through loss carrybacks                             |                       |              | \$—            |
| Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation |                       |              | 1,356          |
| Adjusted gross deferred tax assets expected to be realized following the balance sheet date              |                       |              | 1,356          |
| Adjusted gross deferred tax assets allowed per limitation threshold                                      |                       |              | (2,887)        |
| Adjusted gross deferred tax assets offset by gross deferred tax liabilities                              | (718)                 | \$502        | (216)          |
| Deferred tax assets admitted as the result of application of SSAP No. 101                                | <u>\$638</u>          | <u>\$502</u> | <u>\$1,140</u> |

The ratio percentage and adjusted capital and surplus used to determine recovery period and threshold limitation are as follows (*In Thousands*):

|   | December 31,     |                  |
|---|------------------|------------------|
|   | 2021             | 2020             |
| Ratio percentage used to determine recovery period and threshold limitation amount                | 1,122%           | 1,343%           |
| Amount of adjusted capital and surplus used to determine recovery period and threshold limitation | <u>\$521,213</u> | <u>\$540,462</u> |



The impacts of tax planning strategies as of December 31, 2021 and 2020 are as follows (*\$ In Thousands*):

|  | December 31, 2021 |         |
|--|-------------------|---------|
|  | Ordinary          | Capital |
| Adjusted gross deferred tax assets                               | \$46,864          | \$5,244 |
| Percent of total adjusted gross deferred tax assets              | 0%                | 0%      |
| Net admitted adjusted gross deferred tax assets                  | \$24,240          | \$3,245 |
| Percent of total net admitted adjusted gross deferred tax assets | 0%                | 0%      |
|  | December 31, 2020 |         |
|  | Ordinary          | Capital |
| Adjusted gross deferred tax assets                               | \$44,222          | \$4,589 |
| Percent of total adjusted gross deferred tax assets              | 0%                | 0%      |
| Net admitted adjusted gross deferred tax assets                  | \$23,602          | \$2,743 |
| Percent of total net admitted adjusted gross deferred tax assets | 0%                | 0%      |

The Company's tax planning strategies do not include the use of reinsurance as of December 31, 2021 and 2020.

The Federal income taxes are as follows:

|  | Years Ended December 31, |         |          | Change    | Change    |
|--|--------------------------|---------|----------|-----------|-----------|
|  | 2021                     | 2020    | 2019     | 2021-2020 | 2020-2019 |
|  | <i>(In Thousands)</i>    |         |          |           |           |
| Federal income tax expense                         | \$6,223                  | \$9,399 | \$13,607 | (\$3,176) | (\$4,208) |
| Federal income taxes on net capital gains (losses) | (1)                      | 266     | (3,169)  | (267)     | 3,435     |
| Federal income tax expense                         | \$6,222                  | \$9,665 | \$10,438 | (\$3,443) | (\$773)   |

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows.

|  | December 31,          |                 |                |
|--|-----------------------|-----------------|----------------|
|  | 2021                  | 2020            | Change         |
| Deferred tax assets:                     |                       |                 |                |
| Ordinary:                                | <i>(In Thousands)</i> |                 |                |
| Policyholder reserves                    | \$33,596              | \$30,994        | \$2,602        |
| Deferred acquisition costs               | 10,618                | 10,621          | (3)            |
| Compensation and benefits accrual        | 356                   | 282             | 74             |
| Other                                    | 2,294                 | 2,324           | (30)           |
| Total                                    | <u>46,864</u>         | <u>44,221</u>   | <u>2,643</u>   |
| Statutory valuation allowance adjustment |                       |                 |                |
| Nonadmitted                              | 22,624                | 20,619          | 2,005          |
| Admitted ordinary deferred tax assets    | <u>24,240</u>         | <u>23,602</u>   | <u>638</u>     |
| Capital:                                 |                       |                 |                |
| Investments                              | 5,244                 | 4,589           | 655            |
| Total                                    | <u>5,244</u>          | <u>4,589</u>    | <u>655</u>     |
| Statutory valuation allowance adjustment |                       |                 |                |
| Nonadmitted                              | 1,999                 | 1,846           | 153            |
| Admitted capital deferred tax assets     | <u>3,245</u>          | <u>2,743</u>    | <u>502</u>     |
| Admitted deferred tax assets             | <u>27,485</u>         | <u>26,345</u>   | <u>1,140</u>   |
| Deferred tax liabilities:                |                       |                 |                |
| Ordinary:                                |                       |                 |                |
| Investments                              | 7,912                 | 8,633           | (721)          |
| Other                                    | 664                   | 661             | 3              |
| Total                                    | <u>8,576</u>          | <u>9,294</u>    | <u>(718)</u>   |
| Capital:                                 |                       |                 |                |
| Investments                              | 3,245                 | 2,743           | 502            |
| Total                                    | <u>3,245</u>          | <u>2,743</u>    | <u>502</u>     |
| Deferred tax liabilities                 | <u>11,821</u>         | <u>12,037</u>   | <u>(216)</u>   |
| Net admitted deferred tax assets         | <u>\$15,664</u>       | <u>\$14,308</u> | <u>\$1,356</u> |

The change in net deferred income taxes, exclusive of the nonadmitted assets, is as follows:

|   | December 31,          |                 |                |
|---|-----------------------|-----------------|----------------|
|   | 2021                  | 2020            | Change         |
|   | <i>(In Thousands)</i> |                 |                |
| Total deferred tax assets                   | \$52,108              | \$48,810        | \$3,298        |
| Total deferred tax liabilities              | 11,821                | 12,037          | (216)          |
| Net deferred tax asset                      | <u>\$40,287</u>       | <u>\$36,773</u> | 3,514          |
| Tax effect of unrealized activities         |                       |                 | 8              |
| Change in net operating deferred income tax |                       |                 | <u>\$3,522</u> |

Federal income tax expense (benefit) is different from that which would be obtained by applying the statutory Federal income tax rate of 21% to income before income taxes. The significant items causing these differences are as follows:

|   | Years Ended December 31, |                |                |
|---|--------------------------|----------------|----------------|
|   | 2021                     | 2020           | 2019           |
|   | <i>(In Thousands)</i>    |                |                |
| Provision computed at statutory rate      | \$8,075                  | \$3,814        | \$9,098        |
| Tax contingency                           | 215                      | 216            | 229            |
| Tax impact from derivative gains (losses) | (2,383)                  | 2,030          | (1,141)        |
| Dividend received deduction               | (1,714)                  | (1,338)        | (1,347)        |
| Tax impact from affiliates                | (1,090)                  | (911)          | (1,043)        |
| Amortization of IMR                       | (153)                    | (176)          | (200)          |
| Tax impact from surplus activities        |                          | 2,849          |                |
| Other                                     | (250)                    | (42)           | (12)           |
| Total statutory income tax                | <u>\$2,700</u>           | <u>\$6,442</u> | <u>\$5,584</u> |
| Federal income tax expense                | \$6,222                  | \$9,665        | \$10,438       |
| Change in net deferred income taxes       | (3,522)                  | (3,223)        | (4,854)        |
| Total statutory income tax                | <u>\$2,700</u>           | <u>\$6,442</u> | <u>\$5,584</u> |

As of December 31, 2021 and 2020, the Company had no low income housing and foreign tax credit carryforwards. The Company had no investment tax credits. The Company had no Alternative Minimum Tax credit carryforward. The Company had no adjustments of deferred tax assets (DTAs) and deferred tax liabilities (DTLs) for enacted changes in tax laws or a change in tax status. The Company had no adjustments to gross DTAs because of a change in circumstances that causes a change in judgment about the realizability of the related DTAs. The Company had no deposits under Section 6603 of the Internal Revenue Code.

The following are estimated Federal income taxes in the current and prior years that will be available for recoupment in the event of future net losses *(In Thousands)*.

|                | Ordinary | Capital |
|----------------|----------|---------|
| 2021 estimated |          |         |
| 2020           |          | \$307   |
| 2019           |          | 7       |

The Company had no federal or foreign income tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within 12 months from December 31, 2021.

The Company's policy is to recognize interest expense and penalties related to tax contingencies as a component of Federal and foreign income taxes. No interest and penalties were recorded in Federal and foreign income taxes for the years ended December 31, 2021, 2020 and 2019.

PMHC and its subsidiaries file income tax returns in the U.S. Federal and various state jurisdictions. PMHC is under continuous audit by the Internal Revenue Service (IRS) and is audited periodically by some state taxing authorities. The IRS is currently examining PMHC's tax returns for the years ended December 31, 2013 through 2018. The exam of the Federal tax returns through tax years ended December 31, 2012 has been completed and certain issues are under appeals. The State of California is auditing the tax year ended December 31, 2009 and certain issues are under protest. The Company does not expect the current Federal and California audits to result in any material assessments.

## **7. CAPITAL AND SURPLUS**

The Company has 5 million shares of common stock authorized of which 2.9 million shares are issued and outstanding with a par value of \$1.00 per share. There is only one class of shares.

### **DIVIDEND RESTRICTIONS**

The payment of dividends by the Company to its parent is subject to restrictions set forth in the State of Arizona insurance laws. These laws require (i) notification to the AZ DIFI for the declaration and payment of any dividend and (ii) approval by the AZ DIFI for accumulated dividends within the preceding twelve months that exceed the lesser of 10% of statutory surplus as regards to policyholders as of the preceding December 31 or statutory net gain from operations for the preceding twelve months ended December 31. Based on these restrictions and 2021 statutory results, the Company could pay \$39.9 million in dividends to Pacific Life in 2022 without prior regulatory approval, subject to the notification requirement. Within the dividend restrictions, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders. There are no other restrictions on unassigned surplus.

During the year ended December 31, 2021, PL&A paid ordinary dividends in the form of cash and bonds to Pacific Life of \$41.7 million. During the years ended December 31, 2020 and 2019, PL&A paid ordinary cash dividends to Pacific Life of \$40.0 million and \$41.0 million, respectively.

### **UNASSIGNED SURPLUS**

The portion of unassigned surplus represented by cumulative unrealized gains, net, as of December 31, 2021 and 2020 was \$0.4 million and \$11.8 million, respectively.

## 8. RELATED PARTY TRANSACTIONS

Pacific Life provides general administrative and investment management services to the Company under an administrative services agreement. Product contract services relating to the Company's variable universal life insurance, other life insurance, variable annuities and investment management services are under a separate services agreement. Amounts charged by Pacific Life to the Company for these services were \$22.7 million, \$19.9 million and \$21.2 million for the years ended December 31, 2021, 2020 and 2019, respectively, and are primarily included in operating expenses.

PLFA is the investment adviser for the Pacific Select Fund, the investment vehicle provided to the Company's variable life insurance policyholders and variable annuity contract owners. PLFA is owned 99% by Pacific Life and 1% by the Company. Distributions to the Company from PLFA, reflecting net revenues and expenses, net of taxes, are recorded by the Company as net investment income when declared, to the extent they are not in excess of undistributed accumulated earnings. Distributions from PLFA to the Company included in net investment income for the years ended December 31, 2021, 2020 and 2019 were \$5.2 million, \$4.3 million and \$5.0 million, respectively. Any undistributed net revenue and expense, net of tax, is recorded directly to surplus.

Pacific Select Distributors, LLC (PSD), a wholly-owned broker-dealer subsidiary of Pacific Life, serves as the distributor of variable life and annuity contracts issued by the Company and Pacific Life (Variable Products). In connection with PSD's distribution of Variable Products, the Company incurred commission expense of \$34.0 million, \$28.4 million and \$25.2 million during the years ended December 31, 2021, 2020 and 2019, respectively. A service plan was adopted by the Pacific Select Fund whereby Pacific Select Fund pays PSD, as distributor of the funds, a service fee in connection with services rendered or procured to or for shareholders of the fund or their variable contract owners. These services may include, but are not limited to, payment of compensation to broker-dealers, including PSD itself, and other financial institutions and organizations, which assist in providing any of the services. From these service fees, PSD reimbursed the Company \$4.2 million, \$3.6 million and \$3.7 million, included in commission expense, for paying trail commissions on its behalf for the years ended December 31, 2021, 2020 and 2019, respectively.

During the year ended December 31, 2021, participants previously covered by a group annuity contract at Pacific Life were transferred to the Company. As a result, the Company recognized \$72.6 million of premium revenue included in premium revenue and an increase in reserves included in aggregate reserves of \$72.6 million.

As of December 31, 2021, the Company reported \$204 thousand and \$348 thousand as amounts due from Pacific Life, and other affiliated companies, respectively. As of December 31, 2020, the Company reported \$204 thousand and \$325 thousand as amounts due from Pacific Life and other affiliated companies, respectively. The Company reported \$4.3 million and \$1.4 million due to Pacific Life as of December 31, 2021 and 2020 respectively. The Company reported no amounts payable to other affiliated companies as of December 31, 2021 and 2020. It is the Company's policy to settle these amounts no later than 90 days after the due date.

The Company's structured settlement transactions are typically designed such that an affiliated assignment company assumes settlement obligations from external parties in exchange for consideration. The affiliated assignment company then funds the assumed settlement obligations by purchasing annuity contracts from the Company. Consequently, substantially all of the Company's structured settlement annuities are sold to an affiliated assignment company. Included in the liability for aggregate reserves are insurance contracts with the affiliated assignment company with insurance contract values of \$1,914.2 million and \$1,901.6 million as of December 31, 2021 and 2020, respectively. Related to these contracts, the Company received \$41.6 million, \$62.9 million and \$89.7 million of premium and annuity considerations and paid \$126.2 million, \$118.4 million and \$116.8 million of current and future policy benefits for the years ended December 31, 2021, 2020 and 2019, respectively. In addition, included in the liability for deposit-type contracts are contracts with the affiliated assignment company of \$830.4 million and \$830.2 million as of December 31, 2021 and 2020, respectively.

## 9. RESERVES FOR LIFE CONTRACTS AND ANNUITY CONTRACTS

For policies with a substandard rating or flat extra, mean reserves are based on an appropriate multiple of or addition to the valuation mortality table.

As of December 31, 2021 and 2020, the Company had \$279.5 million and \$313.0 million, respectively, of insurance in force for which gross premiums were less than the net premiums according to the valuation standard set by the AZ DIFI.

For traditional policies, tabular interest, tabular less actual reserve released, and tabular cost have been determined by formula as described by the NAIC instructions. For non-traditional universal life type policies, the tabular interest and tabular cost are based on the actual interest credited to and monthly deductions from the policies. For some deferred annuity policies and some immediate payout policies, tabular interest was calculated using basic data.

The tabular interest on deposit funds not involving life contingencies has been determined from actual interest credited to deposits.

Other reserve changes are comprised of changes in separate account fair values, surrender or alternative comparison values, partial withdrawals, changes in deficiency reserves, and change in CRVM expense allowance. As of December 31, 2021 and 2020, other reserve changes were (\$51.6) million and (\$3.0) million, respectively.

**10. ANALYSIS OF ANNUITY ACTUARIAL RESERVES AND DEPOSIT TYPE CONTRACT LIABILITIES BY WITHDRAWAL CHARACTERISTICS**

The tables below describe withdrawal characteristics of individual annuities and deposit-type contracts:

Individual Annuities:

|  | December 31, 2021  |                                |                    | % of Total  |
|--|--------------------|--------------------------------|--------------------|-------------|
|  | General Account    | Separate Account Nonguaranteed | Total              |             |
|  | (\$ In Thousands)  |                                |                    |             |
| Subject to discretionary withdrawal:                                     |                    |                                |                    |             |
| With market value adjustment   | \$76,885           |                                | \$76,885           | 1%          |
| At book value less current surrender charge of 5% or more <sup>(1)</sup> | 460,754            |                                | 460,754            | 7%          |
| At fair value  |                    | \$3,333,828                    | 3,333,828          | 49%         |
| Total with market value adjustment or at fair value                      | 537,639            | 3,333,828                      | 3,871,467          | 57%         |
| At book value without adjustment   | 836,147            |                                | 836,147            | 12%         |
| Not subject to discretionary withdrawal                                  | 2,105,384          | 403                            | 2,105,787          | 31%         |
| <b>Total</b>   | <b>\$3,479,170</b> | <b>\$3,334,231</b>             | <b>\$6,813,401</b> | <b>100%</b> |

Amount included at book value less current surrender charge of 5% or more that will move to at book value without adjustment for the first time within the year after the statement date:

|  |           |     |           |
|--|-----------|-----|-----------|
|  | \$314,845 | \$— | \$314,845 |
|--|-----------|-----|-----------|

<sup>(1)</sup> Withdrawal characteristic categories were evaluated using effective surrender charge rates, where applicable.

Group Annuities:

|   | December 31, 2021 |                                |                  | % of Total  |
|---|-------------------|--------------------------------|------------------|-------------|
|   | General Account   | Separate Account Nonguaranteed | Total            |             |
|   | (\$ In Thousands) |                                |                  |             |
| Not subject to discretionary withdrawal | \$176,765         |                                | \$176,765        | 100%        |
| <b>Total</b>                            | <b>\$176,765</b>  | <b>\$—</b>                     | <b>\$176,765</b> | <b>100%</b> |

Deposit-type Contracts:

|   | December 31, 2021 |                                |                  | % of Total  |
|---|-------------------|--------------------------------|------------------|-------------|
|   | General Account   | Separate Account Nonguaranteed | Total            |             |
|   | (\$ In Thousands) |                                |                  |             |
| Subject to discretionary withdrawal:                |                   |                                |                  |             |
| With market value adjustment                        | \$6,429           |                                | \$6,429          | 1%          |
| At fair value                                       |                   | \$3,462                        | 3,462            |             |
| Total with market value adjustment or at fair value | 6,429             | 3,462                          | 9,891            | 1%          |
| Not subject to discretionary withdrawal             | 854,216           |                                | 854,216          | 99%         |
| <b>Total</b>  | <b>\$860,645</b>  | <b>\$3,462</b>                 | <b>\$864,107</b> | <b>100%</b> |

Total Individual and Group Annuities and Deposit-type Contracts:

|  | December 31, 2021  |                                |                    | % of Total  |
|--|--------------------|--------------------------------|--------------------|-------------|
|  | General Account    | Separate Account Nonguaranteed | Total              |             |
|  | (\$ In Thousands)  |                                |                    |             |
| Subject to discretionary withdrawal:                                     |                    |                                |                    |             |
| With market value adjustment   | \$83,314           |                                | \$83,314           | 1%          |
| At book value less current surrender charge of 5% or more <sup>(1)</sup> | 460,754            |                                | 460,754            | 6%          |
| At fair value  |                    | \$3,337,290                    | 3,337,290          | 42%         |
| Total with market value adjustment or at fair value                      | 544,068            | 3,337,290                      | 3,881,358          | 49%         |
| At book value without adjustment   | 836,147            |                                | 836,147            | 11%         |
| Not subject to discretionary withdrawal                                  | 3,136,365          | 403                            | 3,136,768          | 40%         |
| <b>Total</b>   | <b>\$4,516,580</b> | <b>\$3,337,693</b>             | <b>\$7,854,273</b> | <b>100%</b> |

Total Individual and Group Annuities and Deposit-type Contracts:

|  | December 31, 2020  |                                |                    | % of Total  |
|--|--------------------|--------------------------------|--------------------|-------------|
|  | General Account    | Separate Account Nonguaranteed | Total              |             |
|  | (\$ In Thousands)  |                                |                    |             |
| Subject to discretionary withdrawal:                                     |                    |                                |                    |             |
| With market value adjustment   | \$96,492           |                                | \$96,492           | 1%          |
| At book value less current surrender charge of 5% or more <sup>(1)</sup> | 563,162            |                                | 563,162            | 8%          |
| At fair value  |                    | \$3,002,224                    | 3,002,224          | 41%         |
| Total with market value adjustment or at fair value                      | 659,654            | 3,002,224                      | 3,661,878          | 50%         |
| At book value without adjustment   | 745,693            |                                | 745,693            | 10%         |
| Not subject to discretionary withdrawal                                  | 2,985,801          | 396                            | 2,986,197          | 40%         |
| <b>Total</b>   | <b>\$4,391,148</b> | <b>\$3,002,620</b>             | <b>\$7,393,768</b> | <b>100%</b> |

<sup>(1)</sup> Withdrawal characteristic categories were evaluated using effective surrender charge rates, where applicable.

The following information is obtained from the applicable exhibit in the Company's Annual Statement and related Separate Accounts Annual Statement, both of which are filed with the AZ DIFI, and are provided to reconcile annuity reserves and deposit-type contract funds and other liabilities without life or disability contingencies to amounts reported in the Annual Statement:

|                                     | December 31,       |                    |
|-------------------------------------|--------------------|--------------------|
|                                     | 2021               | 2020               |
|                                     | (In Thousands)     |                    |
| Annual Statement:                   |                    |                    |
| Annuities                           | \$3,655,935        | \$3,529,160        |
| Deposit-type contracts              | 860,645            | 861,988            |
| <b>Total</b>                        | <b>4,516,580</b>   | <b>4,391,148</b>   |
| Separate Accounts Annual Statement: |                    |                    |
| Annuities                           | 3,334,231          | 2,999,364          |
| Other contract deposit funds        | 3,462              | 3,256              |
| <b>Combined total</b>               | <b>\$7,854,273</b> | <b>\$7,393,768</b> |



## 11. ANALYSIS OF LIFE ACTUARIAL RESERVES BY WITHDRAWAL CHARACTERISTICS

The tables below describe withdrawal characteristics of life actuarial reserves as of December 31, 2021 and 2020:

| <u>December 31, 2021</u>   | <u>General Account</u> |              |                | <u>Separate Account - Nonguaranteed</u> |              |                |
|--|------------------------|--------------|----------------|---|--------------|----------------|
|  | <u>Account</u>         | <u>Cash</u>  | <u>Reserve</u> | <u>Account</u>                          | <u>Cash</u>  | <u>Reserve</u> |
|  | <u>Value</u>           | <u>Value</u> |                | <u>Value</u>                            | <u>Value</u> |                |
|  | <i>(In Thousands)</i>  |              |                |   |              |                |
| <u>Subject to discretionary withdrawal, surrender values, or contract loans:</u> |                        |              |                |   |              |                |
| Universal life with secondary guarantees   | \$9,216                | \$8,813      | \$9,264        |   |              |                |
| Indexed universal life with secondary guarantees                                 | 45,164                 | 43,520       | 45,524         |   |              |                |
| Other permanent cash value life insurance  | 6,743                  | 6,702        | 7,107          |   |              |                |
| Variable universal life  | 9,183                  | 9,144        | 9,170          | \$93,844                                | \$93,802     | \$93,802       |
| <u>Not subject to discretionary withdrawal or no cash values:</u>                |                        |              |                |   |              |                |
| Term policies without cash value   |                        |              | 4,617          |   |              |                |
| Disability - active lives  |                        |              | 40             |   |              |                |
| Disability - disabled lives  |                        |              | 6,068          |   |              |                |
| Miscellaneous reserves   |                        |              | 913            |   |              |                |
| Total (direct + assumed)   | 70,306                 | 68,179       | 82,703         | 93,844                                  | 93,802       | 93,802         |
| Reinsurance ceded  |                        |              | 7,612          |   |              |                |
| Total (net)  | \$70,306               | \$68,179     | \$75,091       | \$93,844                                | \$93,802     | \$93,802       |

| December 31, 2020 | General Account |       |         | Separate Account - Nonguaranteed |       |         |
|-------------------|-----------------|-------|---------|----------------------------------|-------|---------|
|                   | Account         | Cash  | Reserve | Account                          | Cash  | Reserve |
|                   | Value           | Value |         | Value                            | Value |         |

(In Thousands)

Subject to discretionary withdrawal, surrender values, or contract loans:

|  |         |         |         |           |           |           |
|--|---------|---------|---------|-----------|-----------|-----------|
| Universal life with secondary guarantees         | \$9,204 | \$8,709 | \$9,143 |           |           |           |
| Indexed universal life with secondary guarantees | 43,971  | 41,966  | 44,174  |           |           |           |
| Other permanent cash value life insurance        | 6,829   | 6,696   | 7,211   |           |           |           |
| Variable universal life                          | 9,051   | 8,893   | 9,043   | \$146,396 | \$146,300 | \$146,300 |

Not subject to discretionary withdrawal or no cash values:

|  |          |          |          |           |           |           |
|--|----------|----------|----------|-----------|-----------|-----------|
| Term policies without cash value         |          |          | 4,210    |           |           |           |
| Disability - active lives <sup>(1)</sup> |          |          | 35       |           |           |           |
| Disability - disabled lives              |          |          | 6,585    |           |           |           |
| Miscellaneous reserves                   |          |          | 1,181    |           |           |           |
| Total (direct + assumed)                 | 69,055   | 66,264   | 81,582   | 146,396   | 146,300   | 146,300   |
| Reinsurance ceded                        |          |          | 8,210    |           |           |           |
| Total (net)                              | \$69,055 | \$66,264 | \$73,372 | \$146,396 | \$146,300 | \$146,300 |

<sup>(1)</sup> Certain disability - active lives were reported in the first section instead of the Disability - active lives row in the second section since they are subject to discretionary withdrawal.

The table below describes the total withdrawal characteristics of life actuarial reserves for life and accident and health and separate accounts annual statements.

|  | December 31,   |           |
|--|----------------|-----------|
|  | 2021           | 2020      |
| <u>Annual Statement:</u>                   | (In Thousands) |           |
| Life insurance section                     | \$73,993       | \$72,019  |
| Disability - active lives section          | 16             | 14        |
| Disabled lives section                     | 173            | 165       |
| Miscellaneous section                      | 909            | 1,174     |
| Subtotal                                   | 75,091         | 73,372    |
| <u>Separate Accounts Annual Statement:</u> |                |           |
| Life insurance section                     | 93,802         | 146,300   |
| Combined total                             | \$168,893      | \$219,672 |

## 12. PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

Deferred and uncollected life insurance premiums and annuity considerations are as follows:

|                  | December 31, 2021     |                | December 31, 2020 |                |
|------------------|-----------------------|----------------|-------------------|----------------|
|                  | Gross                 | Net of Loading | Gross             | Net of Loading |
|                  | <i>(In Thousands)</i> |                |                   |                |
| Ordinary renewal | \$60                  | \$45           | \$127             | \$126          |
| Total            | \$60                  | \$45           | \$127             | \$126          |

## 13. SEPARATE ACCOUNTS

The Company utilizes separate accounts to record and account for assets and liabilities for particular lines of business. As of December 31, 2021, the Company reported assets and liabilities from the following product lines in separate accounts:

- Variable annuities
- Variable universal life

In accordance with the products recorded within the Separate Accounts, some assets are considered legally insulated whereas others are not legally insulated from the General Account. The legal insulation of the separate account assets prevents such assets from being generally available to satisfy claims resulting from the General Account.

As of December 31, 2021 and 2020, the Company's Separate Accounts Annual Statement included legally insulated assets of \$3,490.6 million and \$3,199.1 million, respectively. The assets legally insulated and not legally insulated from the general account as of December 31, 2021 are attributed to the following products *(In Thousands)*:

| Product                 | Separate Account Assets | Separate Account Assets |
|-------------------------|-------------------------|-------------------------|
|                         | Legally Insulated       | Not Legally Insulated   |
| Variable annuities      | \$3,396,717             |                         |
| Variable universal life | 93,844                  |                         |
| Total                   | \$3,490,561             | \$—                     |

In accordance with the products recorded within the Separate Account, some separate account liabilities are guaranteed by the General Account. In accordance with guarantees provided, if the investment proceeds are insufficient to cover the rate of return guaranteed for the product, the policyholder proceeds will be remitted by the General Account.

To compensate the General Account for the risk taken, the Separate Account paid risk charges as follows for the years ended December 31, 2021, 2020, 2019, 2018, and 2017 of \$18.4 million, \$16.7 million, \$16.7 million, \$17.4 million, and \$17.9 million, respectively.

For the years ended December 31, 2021, 2020 and 2019, the General Account of the Company had paid zero, \$0.1 million and \$0.1 million, respectively, toward guarantees on the Separate Account contracts.

The Company has no Separate Accounts with guarantees. The Company's Separate Accounts without guarantees consist of the variable annuities and variable universal life businesses where the assets of these accounts are carried at fair value.

Information regarding the Separate Accounts of the Company is as follows:

|  | Years Ended December 31, |             |             |
|--|--------------------------|-------------|-------------|
|  | 2021                     | 2020        |             |
|  | <i>(In Thousands)</i>    |             |             |
| Premiums, considerations or deposits   | \$331,695                | \$238,542   |             |
|  | December 31,             |             |             |
|  | 2021                     | 2020        |             |
|  | <i>(In Thousands)</i>    |             |             |
| Reserves for accounts with assets at fair value  | \$3,431,495              | \$3,148,920 |             |
| Reserves by withdrawal characteristics:  |                          |             |             |
| Subject to discretionary withdrawal at fair value  | \$3,431,092              | \$3,148,524 |             |
| Not subject to discretionary withdrawal  | 403                      | 396         |             |
| Total  | \$3,431,495              | \$3,148,920 |             |
|  | Years Ended December 31, |             |             |
|  | 2021                     | 2020        | 2019        |
|  | <i>(In Thousands)</i>    |             |             |
| Transfers as reported in the summary of operations - statutory basis of the Separate Accounts Annual Statement:            |                          |             |             |
| Transfers to separate accounts   | \$331,200                | \$238,311   | \$181,371   |
| Transfers from separate accounts   | 386,614                  | 278,642     | 325,913     |
| Net transfers from separate accounts   | (55,414)                 | (40,331)    | (144,542)   |
| Reconciling adjustments:   |                          |             |             |
| Net lag gain/loss for annuities in general account only  | 3                        | (550)       | 652         |
| Transfers as reported in current and future policy benefits in the accompanying statements of operations - statutory basis | (\$55,411)               | (\$40,881)  | (\$143,890) |

## 14. BORROWED MONEY

The Company has an agreement with Pacific Life to borrow up to \$100 million at variable interest rates. There was no amount outstanding as of December 31, 2021 and 2020.

The Company maintains reverse repurchase lines of credit with various financial institutions. There was no debt outstanding in connection with reverse repurchase lines of credit as of December 31, 2021 and 2020.

PL&A is a member of the Federal Home Loan Bank of San Francisco (FHLB). The Company is eligible to receive advances from the FHLB based on a percentage of the Company's net admitted assets provided it has sufficient available eligible collateral and is in compliance with the FHLB requirements and insurance laws and regulations. The Company's estimated maximum borrowing capacity (after taking into account required collateralization levels) was \$11.0 million and \$15.9 million as of December 31, 2021 and 2020. However, asset eligibility determination is subject to the FHLB's discretion and to the availability of qualifying assets at the Company. The Company had no collateral pledged to the FHLB. Interest is at variable or fixed rates. The Company had no borrowing from the FHLB as of December 31, 2021 and 2020.

The Company is required to purchase stock in FHLB of San Francisco each time it receives an advance. As of December 31, 2021 and 2020, the Company holds \$3.6 million and \$4.6 million, respectively, of FHLB of San Francisco, which is recorded in common stocks.

The membership stock (Class A and B) eligible and not eligible for redemption as of December 31, 2021 and 2020 is as follows:

| <u>December 31, 2021</u> | Total   | Not Eligible for Redemption | Eligible for Redemption |
|--------------------------|---------|-----------------------------|-------------------------|
| Membership stock:        |         | <i>(In Thousands)</i>       |                         |
| Class A                  |         |                             |                         |
| Class B                  | \$3,647 | \$3,647                     |                         |
| <u>December 31, 2020</u> | Total   | Not Eligible for Redemption | Eligible for Redemption |
| Membership stock:        |         | <i>(In Thousands)</i>       |                         |
| Class A                  |         |                             |                         |
| Class B                  | \$4,490 | \$4,490                     |                         |

## 15. COMMITMENTS AND CONTINGENCIES

### COMMITMENTS

As of December 31, 2021, the Company has no outstanding commitments for investments in joint ventures, partnerships and limited liability companies.

In connection with the operations of PLFA, the Company and Pacific Life are obligated to contribute additional capital funding as may be required according to their respective membership percentages. There were no capital contributions to PLFA for the years ended December 31, 2021, 2020 and 2019.

### CONTINGENCIES - LITIGATION

The Company is a respondent in a number of legal proceedings, some of which involve allegations for extra-contractual damages. Although the Company is confident of its position in these matters, success is not a certainty and a judge or jury could rule against the Company. In the opinion of management, the outcome of such proceedings is not likely to have a material adverse effect on the Company's financial statements - statutory basis.

Issues were identified in a market conduct exam that may be indicative of potential losses. The Company has accrued a loss contingency based on management's best estimate and does not expect these issues to have a materially adverse effect on the Company's financial statements - statutory basis.

#### CONTINGENCIES - IRS REVENUE RULING

In 2007, the IRS issued Rev. Rul. 2007-54, interpreting then-current tax law regarding the computation of the dividend received deduction (DRD). Later in 2007, the IRS issued Revenue Ruling 2007-61, suspending Rev. Rul. 2007-54 and indicating that the IRS would re-address this issue in a future regulation project. In 2014, the IRS issued Rev. Rul. 2014-7, stating that it would not address this issue through regulation, but instead would defer to legislative action. Rev. Rul. 2014-7 also expressly superseded Rev. Rul. 2007-54, and declared Rev. Rul. 2007-61 obsolete. With the enactment of the Act on December 22, 2017, DRD computations have been modified effective January 1, 2018. Therefore, the Company does not expect that any of the rulings described above will affect DRD computations in the future. However, in open tax years before 2018, the Company could still lose a substantial portion of its DRD claims, which could in turn have a material adverse effect on the Company's financial statements - statutory basis.

#### CONTINGENCIES - OTHER

In the course of its business, the Company provides certain indemnifications related to dispositions, investments, lease agreements or other transactions that are triggered by, among other things, breaches of representations, warranties or covenants provided by the Company. These obligations are typically subject to time limitations that vary in duration, including contractual limitations and those that arise by operation of law, such as applicable statutes of limitation. Because the amounts of these types of indemnifications often are not explicitly stated, the overall maximum amount of the obligation under such indemnifications cannot be reasonably estimated. The Company has not made material payments for these types of indemnifications. The estimated maximum potential amount of future payments under these obligations is not determinable due to the lack of a stated maximum liability for certain matters, and therefore, the Company may record a contingent reserve for such matters. Management believes that judgments, if any, against the Company related to such matters are not likely to have a material adverse effect on the Company's financial statements - statutory basis.

The Company is required by law to participate in the guaranty associations of the various states in which it is licensed to do business. The state guaranty associations ensure payments of guaranteed benefits, with certain restrictions, to policyholders of impaired or insolvent insurance companies by assessing all other companies operating in similar lines of business. The Company has not received notification of any insolvency that is expected to result in a material guaranty fund assessment.

The Company has a liability for estimated guaranty fund assessments and a related premium tax asset. As of December 31, 2021 and 2020, the estimated liability was \$0.2 million and \$0.1 million, respectively. As of December 31, 2021 and 2020, the related premium tax receivable was \$2.4 million and \$2.3 million, respectively. These amounts represent management's best estimate based on information received from the state in which the Company writes business and may change due to many factors including the Company's share of the ultimate cost of current insolvencies. Future guaranty fund assessments are expected to be paid based on anticipated funding periods for each guaranty association obligation. Premium tax offsets are expected to be realized based on regulations set forth by various state taxing authorities.

See Note 1 for discussion of other contingencies related to reinsurance.

See Note 5 for discussion of other contingencies related to derivative instruments.

See Note 6 for discussion of other contingencies related to income taxes.

Pacific Life & Annuity Company

SUPPLEMENTAL SCHEDULE OF SELECTED FINANCIAL DATA  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021  
(In Thousands)

|   |                  |
|---|------------------|
| Investment Income Earned:                 |                  |
| U.S. Government bonds                     | \$209            |
| Bonds exempt from U.S. tax                |                  |
| Other bonds (unaffiliated)                | 206,964          |
| Bonds of affiliates                       |                  |
| Preferred stocks (unaffiliated)           | 118              |
| Preferred stocks of affiliates            |                  |
| Common stocks (unaffiliated)              | 215              |
| Common stocks of affiliates               |                  |
| Mortgage loans                            | 19,236           |
| Real estate                               |                  |
| Contract loans                            | 256              |
| Cash and cash equivalents                 | 37               |
| Derivative instruments                    | (3,324)          |
| Other invested assets                     | 4,620            |
| Aggregate write-ins for investment income | 54               |
| <b>Gross Investment Income</b>            | <b>\$228,385</b> |

Real Estate Owned - Book Value Less Encumbrances

Mortgage Loans - Book Value:

|                             |                  |
|-----------------------------|------------------|
| Farm mortgages              |                  |
| Residential mortgages       |                  |
| Commercial mortgages        | \$351,191        |
| Mezzanine                   | 26,689           |
| <b>Total Mortgage Loans</b> | <b>\$377,880</b> |

Mortgage Loans By Standing - Book Value:

|  |           |
|--|-----------|
| Good standing  | \$377,880 |
| Good standing with restructured terms                  |           |
| Interest overdue more than 90 days, not in foreclosure |           |
| Foreclosure in process                                 |           |

Other Long-Term Assets - Carrying Value \$25,909

Bonds and Stocks of Parents, Subsidiaries and Affiliates - Carrying Value:

Bonds  
Preferred stocks  
Common stocks

Bonds by NAIC Designation and Maturity:

Bonds by Maturity - Statement Value:

|                                |                    |
|--------------------------------|--------------------|
| Due within one year or less    | \$128,274          |
| Over 1 year through 5 years    | 775,965            |
| Over 5 years through 10 years  | 1,313,373          |
| Over 10 years through 20 years | 1,317,881          |
| Over 20 years                  | 998,032            |
| <b>Total by Maturity</b>       | <b>\$4,533,525</b> |

Bonds by NAIC Designation - Statement Value:

|                                  |                    |
|----------------------------------|--------------------|
| NAIC 1                           | \$2,211,149        |
| NAIC 2                           | 2,210,225          |
| NAIC 3                           | 90,084             |
| NAIC 4                           | 6,901              |
| NAIC 5                           | 15,166             |
| NAIC 6                           |                    |
| <b>Total by NAIC Designation</b> | <b>\$4,533,525</b> |

|   |             |
|---|-------------|
| Total Bonds Publicly Traded                                   | \$3,464,219 |
| Total Bonds Privately Traded                                  | \$1,069,306 |
| Preferred Stocks - Statement Value                            |             |
| Common Stocks - Unaffiliated - Statement Value                | \$3,647     |
| Common Stocks - Affiliated - Statement Value                  |             |
| Cash Equivalents  | \$76,238    |
| Options, Caps & Floors Owned - Statement Value                | \$2,243     |
| Options, Caps & Floors Written and In Force - Statement Value |             |
| Collar, Swap & Forward Agreements Open - Statement Value      | \$2,503     |
| Futures Contracts Open - Statement Value                      | \$6,391     |
| Cash on Deposit   | (\$2,173)   |

Life Insurance In Force:

|             |             |
|-------------|-------------|
| Industrial  |             |
| Ordinary    | \$4,180,601 |
| Credit Life |             |
| Group Life  | \$472       |

|   |       |
|---|-------|
| Amount of Accidental Death Insurance In Force Under Ordinary Policies | \$550 |
|---|-------|



Life Insurance Policies with Disability Provisions In Force:

|             |         |
|-------------|---------|
| Industrial  |         |
| Ordinary    | \$9,530 |
| Credit Life |         |
| Group Life  |         |

Supplementary Contracts In Force:

|   |  |
|---|--|
| Ordinary - Not Involving Life Contingencies |  |
| Amount on Deposit                           |  |
| Income Payable                              |  |
| Ordinary - Involving Life Contingencies     |  |
| Income Payable                              |  |
| Group - Not Involving Life Contingencies    |  |
| Amount on Deposit                           |  |
| Income Payable                              |  |
| Group - Involving Life Contingencies        |  |
| Income Payable                              |  |

Annuities:

|   |             |
|---|-------------|
| Ordinary                                    |             |
| Immediate - Amount of Income Payable        | \$143,232   |
| Deferred - Fully Paid Account Balance       | \$1,360,486 |
| Deferred - Not Fully Paid - Account Balance |             |
| Group                                       |             |
| Amount of Income Payable                    | \$11,799    |
| Fully Paid Account Balance                  |             |
| Not Fully Paid - Account Balance            |             |

Accident and Health Insurance - Premiums In Force:

|        |
|--------|
| Group  |
| Credit |
| Other  |

Deposit Funds and Dividend Accumulations:

|  |           |
|--|-----------|
| Deposit Funds - Account Balance          | \$860,645 |
| Dividend Accumulations - Account Balance |           |

Claim Payments 2021:

Group Accident and Health - Year Ended December 31, 2021

2021

2020

2019

2018

2017

Prior

Other Accident and Health

2021

2020

2019

2018

2017

Prior

Other Coverages that Use Developmental Methods to Calculate Claim Reserves

2021

2020

2019

2018

2017

Prior

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Pacific Life & Annuity Company

SUPPLEMENTAL SUMMARY INVESTMENT SCHEDULE  
 DECEMBER 31, 2021  
 (\$ In Thousands)

|   | Gross<br>Investment<br>Holdings* |          | Admitted Assets<br>as Reported in<br>the Annual<br>Statement |          |
|---|----------------------------------|----------|--|----------|
| Long-term bonds:  |                                  |          |  |          |
| U.S. Governments  | \$9,079                          | 0.180%   | \$9,079  | 0.180%   |
| All other governments   | 31,479                           | 0.624%   | 31,479   | 0.624%   |
| U.S. states, territories, and possessions, etc. guaranteed                      | 8,838                            | 0.175%   | 8,838  | 0.175%   |
| U.S. political subdivisions of states, territories, and possessions, guaranteed | 58,184                           | 1.152%   | 58,184   | 1.152%   |
| U.S. special revenue and special assessment obligations, etc. non-guaranteed    | 293,357                          | 5.811%   | 293,357  | 5.811%   |
| Industrial and miscellaneous  | 4,132,588                        | 81.855%  | 4,132,588  | 81.855%  |
| Total long-term bonds   | 4,533,525                        | 89.797%  | 4,533,525  | 89.797%  |
| Common stocks:  |                                  |          |  |          |
| Industrial and miscellaneous other (unaffiliated)                               | 3,647                            | 0.072%   | 3,647  | 0.072%   |
| Total common stocks   | 3,647                            | 0.072%   | 3,647  | 0.072%   |
| Mortgage loans:   |                                  |          |  |          |
| Commercial mortgages  | 351,191                          | 6.956%   | 351,191  | 6.956%   |
| Mezzanine real estate loans   | 26,689                           | 0.529%   | 26,689   | 0.529%   |
| Total mortgage loans  | 377,880                          | 7.485%   | 377,880  | 7.485%   |
| Cash and cash equivalents:  |                                  |          |  |          |
| Cash  | (2,173)                          | (0.043%) | (2,173)  | (0.043%) |
| Cash equivalents  | 76,238                           | 1.510%   | 76,238   | 1.510%   |
| Total cash and cash equivalents   | 74,065                           | 1.467%   | 74,065   | 1.467%   |
| Contract loans  | 9,747                            | 0.193%   | 9,747  | 0.193%   |
| Derivatives   | 16,169                           | 0.320%   | 16,169   | 0.320%   |
| Receivables for securities  | 487                              | 0.010%   | 487  | 0.010%   |
| Other invested assets   | 33,119                           | 0.656%   | 33,119   | 0.656%   |
| Total invested assets   | \$5,048,639                      | 100.000% | \$5,048,639  | 100.000% |

\*Gross Investment Holdings as valued in compliance with NAIC Accounting Practices and Procedures Manual.

Pacific Life & Annuity Company

SUPPLEMENTAL SCHEDULE OF INVESTMENT RISK INTERROGATORIES  
DECEMBER 31, 2021

The Company's Total Admitted Assets, excluding separate accounts, as reported in the Statements of Admitted Assets, Liabilities and Capital and Surplus (Total Admitted Assets) was \$5,124.6 million as of December 31, 2021.

1. The 10 largest exposures to a single issuer/borrower/investment as of December 31, 2021, are as follows:

|  | <i>(In Thousands)</i> | Percentage<br>of Total<br>Admitted Assets |
|--|-----------------------|---|
| Amgen Inc (Bond)                           | \$46,866              | 0.9%                                      |
| Comcast Corporation (Bond)                 | 46,861                | 0.9%                                      |
| IBM Corporation (Bond)                     | 44,762                | 0.9%                                      |
| AT&T Corporation (Bond)                    | 41,442                | 0.8%                                      |
| Commercial loan (Mortgage Loan)            | 39,583                | 0.8%                                      |
| Pfizer Inc (Bond)                          | 38,959                | 0.8%                                      |
| Commercial loan (Mortgage Loan)            | 37,837                | 0.7%                                      |
| Metropolitan Transport Authority NY (Bond) | 37,035                | 0.7%                                      |
| United Technologies Corporation (Bond)     | 34,846                | 0.7%                                      |
| Xcel Energy Inc (Bond)                     | 34,731                | 0.7%                                      |

2. The amounts and percentages of Total Admitted Assets held in bonds and preferred stocks by NAIC designation as of December 31, 2021, are as follows:

|               | <i>(In Thousands)</i> | Percentage<br>of Total<br>Admitted<br>Assets |                         | <i>(In Thousands)</i> | Percentage<br>of Total<br>Admitted<br>Assets |
|---------------|-----------------------|--|-------------------------|-----------------------|--|
| <u>Bonds:</u> |                       |  | <u>Preferred Stock:</u> |                       |  |
| NAIC 1        | \$2,211,149           | 43.1%  | P/RP 1                  |                       |  |
| NAIC 2        | 2,210,225             | 43.1%  | P/RP 2                  |                       |  |
| NAIC 3        | 90,084                | 1.8%   | P/RP 3                  |                       |  |
| NAIC 4        | 6,901                 | 0.1%   | P/RP 4                  |                       |  |
| NAIC 5        | 15,166                | 0.3%   | P/RP 5                  |                       |  |
| NAIC 6        |                       |  | P/RP 6                  |                       |  |

3. Assets held in foreign investments as of December 31, 2021, totaled \$514.1 million, which represents 10.0% of Total Admitted Assets.

a. The aggregate foreign investment exposure, categorized by NAIC sovereign designation as of December 31, 2021, is as follows:

|                                      | (In Thousands) | Percentage<br>of Total<br>Admitted Assets |
|--------------------------------------|----------------|---|
| Countries designated NAIC 1          | \$438,824      | 8.6%                                      |
| Countries designated NAIC 2          | 45,143         | 0.9%                                      |
| Countries designated NAIC 3 or below | 30,108         | 0.6%                                      |

b. The largest foreign investment exposures in a single country, categorized by the country's NAIC sovereign designation as of December 31, 2021, are as follows:

|   | (In Thousands) | Percentage<br>of Total<br>Admitted Assets |
|---|----------------|---|
| Countries designated NAIC 1             |                |   |
| Country: United Kingdom (Great Britain) | \$136,889      | 2.7%                                      |
| Country: Germany                        | 67,940         | 1.3%                                      |
| Countries designated NAIC 2             |                |   |
| Country: Mexico                         | 27,319         | 0.5%                                      |
| Country: Indonesia                      | 11,933         | 0.2%                                      |
| Countries designated NAIC 3 or below    |                |   |
| Country: Bahamas                        | 17,500         | 0.3%                                      |
| Country: Brazil                         | 12,608         | 0.2%                                      |

c. The 10 largest non-sovereign (i.e. non-governmental) foreign issues as of December 31, 2021 are as follows:

| NAIC Designation | Issuer                          | (In Thousands) | Percentage<br>of Total<br>Admitted Assets |
|------------------|---------------------------------|----------------|---|
| 1.F FE           | BP Capital Markets PLC          | \$25,000       | 0.5%                                      |
| 1.E FE           | Toyota Motor Corporation        | 20,011         | 0.4%                                      |
| 2.B FE           | BAT International Finance PLC   | 19,998         | 0.4%                                      |
| 1.D PL           | Cayman Universe                 | 19,590         | 0.4%                                      |
| 2.C FE           | Ashtead Capital Inc             | 18,896         | 0.4%                                      |
| 1.E FE/1.F FE    | Lloyds TSB Bank Group PLC       | 15,018         | 0.3%                                      |
| 1.G FE           | Mizuho Financial Group Inc      | 15,000         | 0.3%                                      |
| 2.B FE           | Takeda Pharmaceutical Co Ltd    | 15,000         | 0.3%                                      |
| 2.C FE           | Telefonaktiebolaget LM Ericsson | 14,997         | 0.3%                                      |
| 2.B FE           | Anheuser-Busch Companies Inc    | 13,523         | 0.3%                                      |

4. The aggregate amount and percentage of Total Admitted Assets held in Canadian investments as of December 31, 2021, totaled \$165.2 million, which represent 3.2% of Total Admitted Assets.

5. The aggregate amount and percentage of Total Admitted Assets held in investments with contractual sales restrictions are less than 2.5% of Total Admitted Assets as of December 31, 2021.

6. Assets held in equity interest are less than 2.5% of Total Admitted Assets as of December 31, 2021.

7. Assets held in nonaffiliated, privately placed equities are less than 2.5% of Total Admitted Assets as of December 31, 2021.

a. Ten largest fund managers as of December 31, 2021 are as follows:

| Fund Manager              | Total<br>Invested | Diversified<br>(In Thousands) | Nondiversified |
|---------------------------|-------------------|-------------------------------|----------------|
| Walkers Fiduciary Limited | \$490             | \$490                         |                |

8. Assets held in general partnership interests are less than 2.5% of Total Admitted Assets as of December 31, 2021.

9. The amounts and percentages of Total Admitted Assets held in mortgage loans as of December 31, 2021, are as follows:

a. The 10 largest aggregate mortgage interests sharing the same property or group of properties as of December 31, 2021 are as follows:

| Type (Residential, Commercial, Agricultural) | (In Thousands) | Percentage<br>of Total<br>Admitted Assets |
|--|----------------|---|
| Commercial loan                              | \$39,583       | 0.8%                                      |
| Commercial loan                              | 33,716         | 0.7%                                      |
| Commercial loan                              | 32,677         | 0.6%                                      |
| Commercial loan                              | 32,605         | 0.6%                                      |
| Commercial loan                              | 28,086         | 0.5%                                      |
| Commercial loan                              | 26,689         | 0.5%                                      |
| Commercial loan                              | 25,000         | 0.5%                                      |
| Commercial loan                              | 19,985         | 0.4%                                      |
| Commercial loan                              | 19,975         | 0.4%                                      |
| Commercial loan                              | 19,122         | 0.4%                                      |

10. The aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisals as of December 31, 2021 are as follows:

|             | (In Thousands) | Percentage<br>of Total<br>Admitted Assets |
|-------------|----------------|---|
| Commercial: |                |   |
| Above 95%   |                |   |
| 91% to 95%  |                |   |
| 81% to 90%  |                |   |
| 71% to 80%  |                |   |
| Below 70%   | \$377,880      | 7.4%                                      |

11. Assets held in real estate are less than 2.5% of Total Admitted Assets as of December 31, 2021.

12. Assets held in investments held in mezzanine real estate loans are less than 2.5% of Total Admitted Assets as of December 31, 2021.

13. The Company has no securities lending agreements, repurchase agreements, or reverse repurchase agreements as of December 31, 2021.

14. The amounts and percentages of Total Admitted Assets for warrants not attached to other financial instruments, options, caps, and floors as of December 31, 2021, are as follows:

|          | (In Thousands) | Percentage<br>of Total<br>Admitted Assets |
|----------|----------------|---|
| Owned:   |                |   |
| Hedging: | \$2,243        | 0.0%                                      |

15. The amounts and percentages of Total Admitted Assets of potential exposure for collars, swaps, and forwards as of December 31, 2021 and each of the preceding three quarters are as follows (\$ In Thousands):

|         | December 31,<br>2021 | Percentage<br>of Total<br>Admitted Assets | As of Each Quarter End |             |             |
|---------|----------------------|---|------------------------|-------------|-------------|
|         |                      |   | 1st Quarter            | 2nd Quarter | 3rd Quarter |
| Hedging | \$3,887              | 0.1%                                      | \$3,485                | \$3,565     | \$3,686     |

16. The amounts and percentages of Total Admitted Assets of potential exposure for futures contracts as of December 31, 2021 and each of the preceding three quarters are as follows (\$ In Thousands):

|         | December 31,<br>2021 | Percentage<br>of Total<br>Admitted Assets | As of Each Quarter End |             |             |
|---------|----------------------|---|------------------------|-------------|-------------|
|         |                      |   | 1st Quarter            | 2nd Quarter | 3rd Quarter |
| Hedging | \$6,391              | 0.1%                                      | \$7,244                | \$6,282     | \$6,737     |

*Pacific Life & Annuity Company*

SUPPLEMENTAL SCHEDULE OF REINSURANCE DISCLOSURES  
DECEMBER 31, 2021

The following information regarding reinsurance contracts is presented to satisfy the disclosure requirements in SSAP No. 61R, Life, Deposit-Type and Accident and Health Reinsurance, which apply to reinsurance contracts entered into, renewed or amended on or after January 1, 1996.

1. The Company has not reinsured any risk with any other entity under a reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) that is subject to Appendix A-791, Life and Health Reinsurance Agreements, that includes a provision that limits the reinsurer's assumption of significant risks identified in Appendix A-791.
  2. The Company has not reinsured any risk with any other entity under a reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) that is not subject to Appendix A-791, for which reinsurance accounting was applied and includes a provision that limits the reinsurer's assumption of risk.
  3. The Company does not have any reinsurance contracts (other than reinsurance contracts with a federal or state facility) that contain one or more of the following features which may result in delays in payment in form or in fact:
    - a. Provisions that permit the reporting of losses, or settlements to be made, less frequently than quarterly;
    - b. Provisions that permit payments due from the reinsurer to not be made in cash within 90 days of the settlement date (unless there is no activity during the period); or
    - c. The existence of payment schedules, accumulating retentions from multiple years, or any features inherently designed to delay timing of the reimbursement to the ceding entity.
  4. The Company has not reflected reinsurance accounting credit for any contracts that are not subject to Appendix A-791 and not yearly renewable term reinsurance, which meet the risk transfer requirements of SSAP No. 61R.
  5. The Company has not ceded any risk, which is not subject to Appendix A-791 and not yearly renewable term reinsurance, under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the year ended December 31, 2021 and are accounted for the contract as reinsurance under SAP and as a deposit under GAAP.
  6. The Company has not ceded any risk, which is not subject to Appendix A-791 and not yearly renewable term reinsurance, under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the year ended December 31, 2021 and accounted for the contract as reinsurance under GAAP and as a deposit under SAP.
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