

Delivering on our promise

Frequently asked questions

As a top annuity provider in the United States,¹ Jackson® is committed to helping clarify the complexity of retirement planning. Our products, financial know-how, history of award-winning service,^{*} and streamlined experiences strive to reduce the confusion that complicates your plans. We believe by providing clarity for all today, we can help drive better outcomes for tomorrow. Jackson's breadth, depth, and scope of knowledge and delivery in the field of variable, registered index-linked, fixed, and fixed index annuities make us an industry leader.

At Jackson, we believe every American deserves the opportunity to live life well—and not outlive their money. We are committed to helping people achieve financial freedom, so they can live the lives they want. We provide resources and strategies to help Americans protect and grow their assets, create opportunities for protected and guaranteed lifetime income, and pursue financial freedom for life. We've heard from a number of our contract owners and partners who are thankful they are Jackson customers—especially during times of uncertainty—and we are proud to be able to offer that comfort and support through our products and services.



Here's a quick review of how Jackson is able to maintain its insurance guarantees[†] and integrity when the market becomes turbulent and uncertain.

1 | How is Jackson equipped to maintain strength and stability in times of uncertainty?

Jackson is experienced and equipped to meet our obligations and fulfill our insurance guarantees. Jackson's long track record of disciplined pricing and product design, sound risk management, and operational excellence will continue to drive our commitment to our stakeholders through all economic cycles.

2 | What is Jackson's risk-management strategy, and how does it protect customers in all markets?

Jackson operates under a comprehensive Enterprise Risk Management Framework that is designed to effectively manage risk. Within this framework, our business functions have primary ownership of risk management relating to their area of expertise. These functions include Finance, Actuarial, Asset Liability Management, Operations, Information Technology, Information Security, Human Resources, Distribution, and Asset Management.

^{*} SQM (Service Quality Measurement Group) Call Center Awards Program for 2004 and 2006–2023. (Criteria used for Call Center World Class FCR Certification is 80% or higher of customers getting their contact resolved on the first call to the call center (FCR) for 3 consecutive months or more.)

[†] Guarantees are backed by the claims-paying ability of Jackson National Life Insurance Company or Jackson National Life Insurance Company of New York and do not apply to the investment performance of the separate account or its underlying investments.

Jackson® is the marketing name for Jackson Financial Inc., Jackson National Life Insurance Company®, and Jackson National Life Insurance Company of New York®.

Not FDIC/NCUA insured • May lose value • Not bank/CU guaranteed
Not a deposit • Not insured by any federal agency



Our Risk team manages all aspects of risk oversight and challenges relating to business and operations risks. Our Compliance team manages all aspects of risk oversight and challenges relating to regulatory and compliance risks. The primary objective of our Internal Audit team is to protect our assets, reputation, and sustainability through independent, objective, and risk-based assessment and reporting on the overall effectiveness of risk management, control, and governance processes across the organization.

Financial risk

We employ various financial risk-management strategies, including hedging and third-party reinsurance. Key objectives of our financial risk-management strategies include limiting losses, managing exposures to significant risks within established risk limits and frameworks, and providing additional capital capacity for future growth.

Non-financial risk

Our business inherently faces operational and regulatory risks. Examples of key “non-financial” risks include cyberattacks and information-security breaches, failure of third parties to provide contracted services, fraud, model risk, and conflicts of interest. We regularly assess and report on our key risks to the Finance and Risk Committee. Our policies, processes, and controls (collectively, our internal control environment) are designed and implemented with a goal to minimize exposure to these risks and prevent material financial losses and operational events (direct or indirect) that adversely affect our ability to meet our commitments to customers. Additionally, we have risk-specific response plans and processes in place to quickly identify and appropriately address control failures or other risk events when they occur. Our internal control environment—including compliance with internal policies—is regularly assessed for effectiveness, and oversight is provided by our Risk, Compliance, and Internal Audit teams.

3 | What is your hedging program?

Our hedging program seeks to balance three risk-management objectives: protecting against the economic impact of adverse market conditions, protecting statutory capital, and stabilizing statutory distributable earnings throughout market cycles. Our core dynamic hedging program seeks to offset changes in the economic liability associated with variable and registered index-linked annuity guaranteed benefits due to market movements, and our macro-hedging program seeks to protect capital and liquidity under a range of stress scenarios.

Our hedging strategy manages equity and interest-rate risk within risk tolerances through a mix of equity and interest-rate derivatives. Our hedging program is based on economic cash-flow models of our liabilities.

4 | What regulations guide the business?

Insurance companies are subject to extensive laws and regulations. We are regulated as a result of our public company status and our ownership and operation of insurance companies, registered investment advisors, and regulated broker/dealers. Further, we are regulated or affected by derivatives and advisory relationships with customers.



These laws and regulations are complex, and subject to change, and are administered and enforced by a number of different governmental authorities. These authorities include state insurance regulators, state securities administrators, the U.S. Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority, Inc. (FINRA), the United States Department of Labor (DOL), the United States Department of Justice (DOJ), and state attorneys general.

State insurance laws establish supervisory agencies with broad administrative and supervisory powers related to granting and revoking licenses to transact business, regulating marketing and other trade practices, operating guaranty associations, licensing agents, prescribing and approving policy forms, regulating certain premium rates, regulating insurance holding company systems, establishing reserve requirements, and prescribing the form and content of required financial statements and reports. These agencies perform financial and other examinations, including determining the reasonableness and adequacy of statutory capital and surplus, regulating the type and amount of investments permitted, limiting the amount of dividends that can be paid and the size of transactions that can be consummated without first obtaining regulatory approval, regulating standards of business conduct, and other related matters.

5 | What are the surplus and risk-based capital requirements?

The National Association of Insurance Commissioners (NAIC) has developed risk-based capital (RBC) standards for life insurance companies as well as a model act for state legislatures to enact. The model act requires that life insurance companies report on an RBC formula standard calculated by applying factors to various asset, premium, and reserve items and separate model-based calculations of risk associated primarily with interest rate and market risks. The RBC formula takes into account the risk characteristics of a company, including asset risk, insurance risk, interest-rate risk, market risk, and business risk. The NAIC designed the formula as an early-warning tool to identify potentially inadequately capitalized companies for purposes of initiating regulatory action.

Jackson National Life Insurance Company's and Jackson National Life Insurance Company of New York's total adjusted capital and RBC minimum required levels under the NAIC's definition substantially exceeded the standards of their respective states of domicile and the NAIC levels as of December 31, 2023.



Building strength for tomorrow. Maintaining stability for today.

Details on the risk-management strategies in this document can be found on the public website for the U.S. Securities and Exchange Commission Form 10-K for Jackson Financial Inc. as of December 31, 2023, and are subject to change at any time based on business needs, the market, and other conditions. You can also find a copy on the Investor Relations page of jackson.com.

Insurance financial-strength ratings are rating agencies' forward-looking opinions about the ability of insurance companies to pay their policies and contracts in accordance with their terms. Insurer financial-strength ratings do not refer to an organization's ability to meet non-policy (i.e., debt) obligations. It is important to note financial-strength ratings do not apply to the principal amount or investment performance of the separate account or underlying investments of variable products.

The value of variable annuity contracts is subject to fluctuation and principal loss based upon the performance of underlying investment choices.



Jackson National Life Insurance Company® and Jackson National Life Insurance of New York® has received the following financial strength ratings from independent ratings agencies.

- A.M. Best: A (Excellent) is the third highest of 13 rating categories.
- Fitch Ratings: A (Strong) is the sixth highest of 19 rating categories.
- Standard & Poor's (S&P): A (Strong) is the sixth highest of 20 rating categories.
- Moody's Investor Services, Inc.: A3 (Good) is the seventh highest of 21 rating categories.

Jackson National Life Insurance Company and Jackson National Life Insurance of New York received these ratings from independent ratings agencies. Ratings are accurate as of February 20, 2024. Financial strength ratings do not apply to the principal amount or investment performance of the separate account or underlying investments of variable products. A securities rating is not a recommendation to buy, sell, or hold securities and may be subject to revision or withdrawal at any time.

Highlights

Out of the 50 largest individual U.S. life insurance companies ranked by total statutory assets, Jackson National Life Insurance Company ranks as the:

- 7th largest U.S. life insurance company ranked by total statutory assets²
- 25th largest U.S. life insurance company ranked by general account assets²
- 7th largest U.S. life insurance company ranked by statutory surplus plus asset valuation reserve and interest maintenance reserve²

- 1st in traditional variable annuity sales in the United States during 2023³
- 36th largest seller of fixed-rate deferred annuities in the United States during 2023⁴
- 27th largest seller of fixed index annuities in the United States during 2023⁵
- 7th largest seller of registered index-linked annuities sales in the United States during 2023.⁶

For more information, visit jackson.com.

¹ LIMRA, Secure Retirement Institute®, U.S. Individual Annuity Participants Report 4Q YTD 2023. Based on total annuity sales out of 54 companies that reported sales. Jackson National Life Insurance Company sales are inclusive of sales by Jackson National Life Insurance Company and Jackson National Life Insurance Company of New York.

² Statutory financial data per SNL Financial, rankings as of 12/31/2023. The 50 largest companies are a subset of 731 operating individual life insurance companies sourced from SNL Financial. Includes funds withheld assets.

³ LIMRA/Secure Retirement Institute, US Individual Annuity Participants Report Q4 YTD 2023. Jackson ranks #1 for traditional variable annuity sales out of 38 companies that reported sales to the LIMRA/Secure Retirement Institute in Q4 YTD 2023. Jackson National Life Insurance Company sales are inclusive of sales by Jackson National Life Insurance Company and Jackson National Life Insurance Company of New York.

⁴ LIMRA/Secure Retirement Institute, US Individual Annuity Participants Report Q4 YTD 2023. Jackson ranks #36 out of 49 companies that reported sales to the LIMRA/Secure Retirement Institute in Q4 YTD 2023. Jackson sales are inclusive of sales by Jackson National Life Insurance Company and Jackson National Life Insurance Company of New York.

⁵ LIMRA/Secure Retirement Institute, US Individual Annuity Participants Report Q4 YTD 2023. Jackson ranks #27 for index annuity sales out of 38 companies that reported sales to the LIMRA/Secure Retirement Institute in Q4 YTD 2023. Jackson sales are inclusive of sales by Jackson National Life Insurance Company only.

⁶ LIMRA Secure Retirement Institute, US Individual Annuity Participants Report Q4 YTD 2023. Jackson ranks #7 for registered index annuity sales out of 18 companies that reported sales to the LIMRA Secure Retirement Institute in Q4 YTD 2023. Jackson sales are inclusive of sales by Jackson National Life Insurance Company only.

Jackson, its distributors, and their respective representatives do not provide tax, accounting, or legal advice. Any tax statements contained herein were not intended or written to be used and cannot be used for the purpose of avoiding U.S. federal, state, or local tax penalties. Tax laws are complicated and subject to change. Tax results may depend on each taxpayer's individual set of facts and circumstances. You should rely on your own independent advisors as to any tax, accounting, or legal statements made herein.

Annuities are long-term, tax-deferred vehicles designed for retirement and are insurance contracts. Variable annuities and registered index-linked annuities involve investment risks and may lose value. Earnings are taxable as ordinary income when distributed. Individuals may be subject to a 10% additional tax for withdrawals before age 59½ unless an exception to the tax is met. Add-on benefits are available for an extra charge in addition to the ongoing fees and expenses of the variable annuity and are subject to conditions and limitations.

Guarantees are backed by the claims-paying ability of Jackson National Life Insurance Company or Jackson National Life Insurance Company of New York and do not apply to the principal amount or investment performance of a variable annuity's separate account or its underlying investments. They are not backed by the broker/dealer from which this annuity contract is purchased, by the insurance agency from which this annuity contract is purchased or any affiliates of those entities, and none makes any representations or guarantees regarding the claims-paying ability of Jackson National Life Insurance Company or Jackson National Life Insurance Company of New York.

Fixed index annuities are not available in New York.

Annuities are issued by Jackson National Life Insurance Company (Home Office: Lansing, Michigan) and in New York by Jackson National Life Insurance Company of New York (Home Office: Purchase, New York). Variable annuities and registered index-linked annuities are distributed by Jackson National Life Distributors LLC, member FINRA. May not be available in all states, and state variations may apply. These contracts have limitations and restrictions. Jackson issues other annuities with similar features, benefits, limitations, and charges. Discuss them with your financial professional or contact Jackson for more information.

