

Public Policy Advocacy 2017

Lincoln Financial¹ is engaged in discussion and debate on public policy issues that directly impact the financial services industry and our business at the local, state, and federal levels. We view this as an important part of our corporate responsibility to our customers, shareholders, employees, and the communities in which we live and work. Political spending is made to advance the best interests of the company and without regard to the personal political preferences of its executives. Employees affirm that they have reviewed and complied with Lincoln Financial Group's Political Activity and Political Contributions policies as part of the company's annual [Code of Conduct](#) training.

This document describes the types of political contributions and activities made or carried out by Lincoln Financial and the Lincoln National Corporation Political Action Committee for calendar year 2017. The Lincoln National Corporation Board of Directors or one of its committees reviews and approves this document annually.

LOBBYING

At the direction of management and under the supervision of the Legal Department, Lincoln Financial engages in lobbying activities at the state and federal levels on matters directly related to the financial services industry and our business.

Lincoln Financial employees and any retained outside parties who are registered as legislative lobbyists on behalf of the company comply with federal, state, or local requirements for tracking and reporting activities and related expenses involving public officials and their staffs. They are also expected to

- conduct their activities in a manner consistent with the highest ethical standards of practice and all applicable laws and
- comply with all federal, state, and local laws and company policies governing contacts with public officials and their staffs, including gift and entertainment restrictions.

Federal lobbying reports filed by Lincoln Financial in 2017 are available here: [Q1](#), [Q2](#), [Q3](#), and [Q4](#). Our state registered lobbying activity is generally limited to Indiana, which is the state of domicile for Lincoln National Corporation and many of its affiliated companies. Indiana state legislative lobbying reports are available [here](#). Lincoln Financial did not participate in registered lobbying in any other states in 2017.

POLITICAL CONTRIBUTIONS

Lincoln National Political Action Committee (LNCPAC)

Lincoln Financial sponsors LNCPAC to provide eligible employees a voice in the political process by providing a systematic method for collecting voluntary donations to be used for contributions to federal political candidates. Except for certain administrative expenses, LNCPAC is entirely funded from these voluntary contributions. LNCPAC is governed by an Approval Committee composed of

- the President and Chief Executive Officer of Lincoln National Corporation,
- the President of Annuity Solutions, Lincoln Financial Distributors, and Lincoln Financial Network,
- the Executive Vice President, Chief Financial Officer and Head of Individual Life
- the Executive Vice President and General Counsel, and
- the Senior Vice President and Associate General Counsel responsible for government relations.

Most contribution recommendations come from Lincoln Financial's staff responsible for following industry issues, but recommendations submitted by LNCPAC members are also considered. Contribution recommendations are reviewed and approved by the Approval Committee.

LNCPAC limits its giving to federal congressional candidates and certain national life insurance trade association PACs in the form of PAC-to-PAC contributions.

LNCPAC does not make contributions based on any official actions by a federal candidate or office holder. Contribution recommendations may take into consideration

- Lincoln Financial's presence in a candidate's electoral district and
- a candidate's membership on a committee with jurisdiction over legislation that could impact Lincoln Financial.

Participation in LNCPAC is purely voluntary. No employee is favored or disadvantaged in employment by reason of the amount of their contribution or a decision not to contribute.

Corporate Political Contributions

Lincoln Financial does not use corporate contributions to expressly advocate the election or defeat of a candidate. In 2017, Lincoln Financial did not contribute corporate funds to state or local candidates nor did it contribute to state or local ballot initiatives. Corporate contributions are made to a limited number of state trade association PACs where permitted by law and as approved by Legal Department. Such contributions are listed in the attached 2017 Political Spending chart.

Reporting Political Contributions

All political contributions – LNCPAC and corporate – are reported in accordance with applicable federal, state, and local laws. The Legal Department is responsible for overseeing compliance with these requirements.

Pay-to-Play Restrictions

Some employees are restricted from making donations to LNCPAC or from making personal contributions to federal, state, or local candidates in compliance with pay-to-play laws. The Legal Department is responsible for overseeing compliance with these requirements.

TRADE ASSOCIATIONS

Lincoln Financial is active in state and national trade associations in the business, financial services, insurance, and investment management areas. Participation in these organizations assists the company in understanding legislative and regulatory issues of importance to our businesses, and in many cases these organizations advocate positions with public officials on behalf of their membership.

The dues paid to these organizations are based generally on the company's premium volume of sales applicable to the jurisdictions that the trade association represents. Lincoln Financial makes reasonable efforts to obtain from U.S. trade associations whose annual membership dues exceed \$25,000 the portion of such dues that are used for lobbying. Occasionally, the company might make payments in the form of contributions and assessments to support special projects and coalition activities. If so, those payments are included in the total dues calculation that follows.

2017 Payments to Trade Associations

(annual dues of \$25,000 or more)

Organization	Attributable to Lobbying	Total Dues
American Council of Life Insurers	\$318,500	\$1,750,000
Business Roundtable	\$132,000	\$300,000
Life Insurance Council of New York	\$50,944	\$188,682
Investment Company Institute	--	\$168,837
Insured Retirement Institute	\$14,125	\$141,250
U.S. Chamber of Commerce	\$25,000	\$100,000
Association of California Life and Health Insurance Companies	\$5,537	\$79,097
Financial Services Institute	\$63,620	\$63,620
Association of Indiana Life Insurance Companies	\$9,214	\$61,424
American Society of Pension Professionals & Actuaries	\$8,150	\$40,751
National Association of Dental Plans	\$7,486	\$35,820
National Association of Plan Advisors	\$5,840	\$29,220
MetroHartford Alliance	\$805	\$26,840

Non-deductible portion of dues computed pursuant to I.R.C. § 162 (e), Treas. Reg. § 1.162.29. Dues are reported in the year in which they are paid.

LINCOLN NATIONAL CORPORATION PAC CONTRIBUTIONS IN 2017

CANDIDATE			STATE/DISTRICT		PARTY	AMOUNT
Rep.	Jim	Banks	IN	3	R	\$2,000
Rep.	Mike	Bishop	MI	8	R	\$2,000
Sen.	Ben	Cardin	MD		D	\$1,000
Sen.	Joe	Donnelly	IN		D	\$2,500
Rep.	Virginia	Foxx	NC	5	R	\$2,000
Sen.	Orrin	Hatch	IA		R	\$1,000
Rep.	French	Hill	AR	2	R	\$1,500
Rep.	Jim	Himes	CT	4	D	\$1,000
Rep.	Ann	Kuster	NH	2	D	\$3,000
Rep.	Pat	Meehan	PA	7	R	\$2,500
Rep.	Luke	Messer	IN	6	R	\$5,000
Sen.	Rob	Portman	OH		R	\$2,000
Rep.	Paul	Ryan	MI	1	R	\$2,000
Sen.	Ben	Sasse	NE		R	\$1,000
Rep.	Terri	Sewell	AL	7	D	\$2,500
Rep.	Steve	Stivers	OH	15	R	\$1,000
Rep.	Pat	Tiberi	OH	12	R	\$1,000
Sen.	Thom	Tillis	NC		R	\$1,000
Sen.	Pat	Toomey	PA		R	\$1,500
Rep.	Jackie	Walorski	IN	2	R	\$3,000
Rep.	David	Young	IA	3	R	\$2,000
Sen.	Todd	Young	IN		R	\$1,000

POLITICAL ACTION COMMITTEES

	AMOUNT
American Council of Life Insurers PAC	\$5,000
Insured Retirement Institute PAC	\$2,500

2017 POLITICAL SPENDING

STATE CONTRIBUTIONS

State candidates		\$0
State trade association PACs	Association of California Life and Health Insurance Companies PAC	\$7,300
	Life Insurance Council of New York PAC	\$5,000
	Association of California Life & Health Insurance Companies Disability PAC	\$2,000

OTHER

527 groups		\$0
Ballot initiatives		\$0
Independent political expenditures		\$0
Tax exempt organizations used for political purposes (e.g., 501(c)4s)		\$0