



Making positive  
impact in a year  
like no other

Lincoln Financial Group 2020  
Corporate Social Responsibility Report

How do we make a world of difference during a time of new routines, new perspectives and, yes, new challenges?

## We choose to move forward with hope

We serve our communities with compassion. We work side by side with employees, neighbors and customers to overcome obstacles, address acute needs and uncover silver linings.

At Lincoln Financial Group, we always step up. We honor diverse backgrounds, beliefs and experiences. We do the hard work to improve the present — and shape a healthy, just future.

**Our 2020 Corporate Social Responsibility Report illustrates how we came together — in a year like no other — to make a world of difference.**



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Lincoln Financial Group was founded in 1905 with the endorsement of Abraham Lincoln's son, Robert Todd Lincoln, who provided written permission to use his father's name and likeness to represent our company's goals and mission. More than a century later, we remain the first and only company to carry Lincoln's name, image and ideals at the heart of our brand.



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COVID-19 touched every aspect of our lives in 2020 – how we worked, how we felt, how we cared for one another. As a company, our response to the pandemic was integrated into everything we did, too. Each chapter reflects this reality.



**DENNIS R. GLASS**

President and Chief Executive Officer  
Lincoln Financial Group

## A letter from the President and CEO

At Lincoln Financial Group, we're focused on a common purpose: to help provide financial peace of mind to Americans, enabling them to plan for and protect their financial futures. This focus extends beyond our business through our philanthropic efforts and our commitment to the communities in which we live and work.

Our company values are aligned with the values of our namesake, Abraham Lincoln — honesty, integrity, empathy, respect. These values have helped shape our business, how we care for our customers, as well as how we care for the environment and use our resources to improve the world around us.

Our values inspire us to take action to create a more just world. And we know that every action, both big and small, can add up to a *world of difference*.

In 2020, a year like no other, we took action to meet the needs of our customers, support our employees and our communities, and expand our efforts to support racial justice and equity:

- Throughout the pandemic, the Lincoln Financial Foundation increased its contributions to food banks, pantries and emergency housing, donating \$2 million to more than 60 organizations across our communities that serve vulnerable individuals facing hunger and housing crises.
- We implemented a racial justice action plan to amplify our ongoing focus on diversity, equity and inclusion and driving meaningful, measurable change, within our virtual "walls" and beyond. This plan includes adding a diversity and inclusion goal as a new performance measure for our long-term incentive compensation plan, which applies to our most senior leaders. Embedding an expectation to meet diversity and inclusion objectives creates an added layer of accountability for meeting our aspirations. Our action plan also includes a \$1 million contribution over a period of time to The HistoryMakers, the nation's largest African American oral history video archive — which you will read more about in this report.

In challenging times, our team stepped up, spoke out and took action — action that makes a difference today, and creates a lasting platform for ongoing, meaningful impact.

I couldn't be prouder of each of our employees for their incredible contributions, and I am pleased to share our 2020 Corporate Social Responsibility Report. I invite you to learn more about how we implement our corporate social responsibility strategy here at Lincoln Financial Group, and how, together, we're making a positive impact in our communities.

Sincerely,

A handwritten signature in black ink that reads "Dennis Glass". The signature is fluid and cursive, with the first name "Dennis" and last name "Glass" clearly distinguishable.



**NANCY ROGERS**

President, Lincoln Financial Foundation  
SVP, Corporate Responsibility and  
Sustainability

## A letter from the Senior Vice President, Corporate Responsibility and Sustainability, and President, Lincoln Financial Foundation

The COVID-19 pandemic impacted every facet of our lives in 2020 — how we worked, how we felt, how we lived our lives. Lincoln's response to the pandemic focused on helping our people, our customers and our communities get through this crisis. Our efforts focused on empowering and engaging our employees, helping the most vulnerable communities, and turning everyday activities into opportunities to care for people and the environment. Here are just a few of the highlights you'll see in this report:

- Our corporate contributions to nonprofit partners totaled more than \$10 million in 2020, with a portion of these contributions dedicated to COVID-19 relief efforts that addressed food and shelter service needs.
- We created a dedicated page on our website for resources to help individuals navigate the financial impacts of COVID-19.
- In a year like no other, our employees contributed more than \$765,000, in the eighth consecutive year of our fundraising efforts to support the United Way. Our employees also found other creative ways to help their communities through virtual events — the Lincoln Financial Foundation also matched more than 1,750 employee gifts to nonprofits amounting to \$935,000.
- As part of our racial justice action plan (which is covered in detail in this report) we committed to leveraging the Lincoln Financial Foundation to further support Black communities, by giving to nonprofits with demonstrated success in advancing Black communities, and by engaging with leading philanthropic membership organizations that focus on equity-based grantmaking.

Lincoln employees are committed to service and responsibility — even in a virtual environment, employees remained steadfast in their focus on supporting one another and our communities. They are an inspiration to me daily.

I welcome you to read our 2020 Corporate Social Responsibility Report — and take a look at our racial justice action plan — to see how we are working to drive meaningful change and making a *world of difference*.

Sincerely,

A handwritten signature in black ink that reads "Nancy Rogers". The signature is fluid and cursive, with the first name and last name clearly distinguishable.

# About Lincoln Financial Group

Lincoln Financial Group provides guidance and solutions that help empower people to take charge of their financial lives with confidence and optimism.

We work together to support and enhance people's lives and retirement outcomes. Lincoln National Corporation and its affiliates operate under the marketing name of Lincoln Financial Group. Our comprehensive offerings span four core business areas: life insurance, annuities, retirement plan services and employee (group) benefits.

## Our customers

Lincoln Financial products and services are designed to make a world of difference for our customers' peace of mind — and their futures. With Lincoln Financial at their side, customers have what they need to positively impact their own lives and the lives of those they love.

### Innovating to create confidence

Our commitment to providing innovative solutions grows directly out of our mission as a company. This allowed us to meet our customers in their unique pandemic challenges by quickly rolling out new online tools, small business solutions and more.

Learn more about innovative new products in [Upholding Responsible Business Practices >](#)

## Our insurance companies

**The Lincoln National Life Insurance Company** is one of the oldest and largest stock insurance companies in the United States.

**Lincoln Life & Annuity Company of New York** offers additional annuity, retirement planning and insurance products.

## Our affiliates

- **Lincoln Financial Foundation**, established in 1962, is the philanthropic arm of Lincoln Financial Group
- **Lincoln Financial Distributors** is the wholesale distribution organization for Lincoln-manufactured variable and fixed annuities, life insurance and investment management products sold through financial intermediaries
- **Lincoln Financial Advisors** offers personalized financial planning services
- **Lincoln Financial Securities** provides long-term financial solutions to individuals and small businesses

# How we make a difference

Since our founding, we have been guided by the character and ideals of our namesake, President Abraham Lincoln. We believe integrity, optimism and a forward-thinking mindset are important in any year – and absolutely critical in a year like 2020. By applying these values to our shared mission, we overcome challenges and generate positive impact in our world.



## We build on a tradition of strength

Our solid industry rankings, broad distribution capabilities and strong financial foundation combine to lay the groundwork for helping families and individuals take charge of their futures.



## We live our commitment to corporate responsibility

We prize integrity. Whatever the situation, we're determined to do the right thing. That requires focusing on the needs of our customers as well as our employees, communities and planet.



## We succeed through diversity and inclusion

Diversity and inclusion inform our business strategy and propel our success. We reach our full potential as a company by creating space for individuals to honor, learn from and collaborate with each other.



### Our financial strength<sup>1</sup>

- **#188** on the *Fortune* 500 list for 2020 (by revenue)<sup>2</sup>
- **\$303 billion** in assets under management
- **\$10.3 billion** in total adjusted statutory capital<sup>3</sup>
- **\$754 million** in cash and invested cash at the holding company<sup>4</sup>

### The lives we touch<sup>1</sup>

- **1.5 million** participants in our employer-sponsored retirement plans
- **13 million** individuals insured through our group benefits business
- **1.7 million** life insurance policies in-force
- **1 million** individual annuity contracts in-force

<sup>1</sup> All numbers are as of December 31, 2020.

<sup>2</sup> Based on median three-year cash flow return on investment (ROI), 2019 sales growth, and adjusted for divestitures.

<sup>3</sup> Represents statutory results of The Lincoln National Life Insurance Company, Lincoln Life & Annuity of New York, and First Penn-Pacific Life Insurance Company.

<sup>4</sup> Available liquidity consists of cash and invested cash, excluding cash held as collateral, and certain short-term investments that can be readily converted into cash, net of commercial paper outstanding.

# 2020 recognitions and awards

We are honored when others recognize the steps we take to improve the present – and shape a just future.



**2020 Best Place to Work for Disability Inclusion**

Received a perfect 100% score on the Disability Equality Index® (DEI) for the fifth consecutive year, for creating a welcoming, inclusive environment for people with disabilities.



**Best Place to Work for LGBTQ Equality**

Scored 100% on the 2020 Corporate Equality Index (CEI), the Human Rights Campaign's national benchmarking report, for the fifth consecutive year.



**Diversity Lab Mansfield Certification**

One of 19 pioneering legal departments to have achieved this certification for internal processes related to hiring and promoting diverse leadership.



**Dow Jones Sustainability Index (DJSI) North America**

Named to the most widely recognized sustainability index, which assesses economic, environmental and social practices in large, publicly traded companies, for the fifth consecutive year.



**Forbes 2020 Best Employers for Women**

Named to this list, marking the third consecutive year we have earned this significant achievement.



FTSE4Good

**FTSE4Good Index**

Named to this responsible investment index since 2001. The FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong environmental, social and governance (ESG) practices.



**Newsweek America's Most Responsible Companies**

Recognized for Lincoln's strong corporate citizenship and transparent reporting practices.



## 2020 corporate responsibility in action

Our employees worked to strengthen our communities, respect each other, safeguard our health, care for the environment and serve our customers with integrity.

### Building stronger communities

- Lincoln Financial Foundation supported more than 330 organizations focused on human services, education and financial wellness through cash contributions and virtual volunteer hours
- Within the first two weeks of the pandemic, the Foundation responded to the immediate needs of food providers — helping them to meet rising food insecurity in our communities
- Our corporate contributions to nonprofit partners totaled more than \$10 million. Of that, we dedicated \$2 million to COVID-19 relief efforts that addressed food, shelter and eviction service needs

### Empowering and engaging employees

- Launched weekly “Feedback Fridays” survey to help us serve employees in the best ways possible while they worked from home
- Supported employees through the pandemic with flexible working arrangements, emergency leave, mental health resources and financial counseling
- Provided premium pay to essential Lincoln Financial employees who continued to come into the offices throughout the pandemic
- Built on our ongoing D&I strategy by developing an eight-part action plan to advance racial justice and equity

### Caring for the environment

- Set our new target to reduce Scope 1 and 2 greenhouse gas emissions by 25% from a 2019 baseline by the year 2025
- Decreased our Scope 2 greenhouse gas emissions intensity per employee by 45% compared to our 2014 baseline during our year of working from home
- Reduced electricity consumption by 34% and 32% at our Greensboro, N.C., and Omaha, Neb., locations, respectively, since 2014

### Upholding responsible business practices

- 100% of employees trained in our Code of Conduct and related policies
- We were able to seamlessly transform our user experience to be 100% virtual and also rolled out new products, services and tools to meet customers’ needs
- Developed a dedicated clinical team to handle claims related to COVID-19, including specialized support for the increased number of people suffering from mental health conditions

# Empowering communities during COVID-19

In 2020, the world changed for us all in ways we could never imagine. Lincoln Financial's commitment to making a difference stayed as firm as ever in the face of new challenges.

We mobilized local support as soon as the pandemic started. Our deep roots in our communities positioned us to act quickly and strategically. Through Lincoln Financial Foundation, we provided nonprofit organizations with resources to reach many more people in need — and make a world of difference for our neighbors.

## How we took action

- Accelerated the pace of our funding
- Contributed **\$10.1 million**
- Supported **more than 330** nonprofit organizations
- Tackled issues of food insecurity, housing, education and financial wellness

## The difference we made

- Provided vital services to **1.2 million** people in need
- Gave families and individuals of all ages resources to weather the pandemic
- Empowered people to improve their lives over the long term



# Partnerships lead to impact

We aim to make a world of difference in our communities — a lasting impact at a meaningful scale. To accomplish this, Lincoln Financial Foundation cultivates strong partnerships with nonprofits focused on human services, education and financial wellness.

**Together, we help community members weather difficult times while always keeping our long-term goal in mind: helping individuals and families build a secure future.**

This did not change during the pandemic. We aided the hardest-hit community members by meeting urgent needs that could derail their journey toward better circumstances. Throughout the year, we also continued to support the underserved in our communities with programs and services that help people achieve their financial goals.

Since 1962, Lincoln Financial Foundation has directed philanthropic giving, matched employee contributions and supported volunteerism to make a meaningful difference. [Learn more about the Foundation.](#)



## Connected to our communities

Lincoln Financial has a significant presence in 11 cities across the U.S. The Foundation creates unique partnerships in each city with local nonprofit grantees that deeply understand the people and places they serve. Some nonprofit grantees have chapters across all our cities and address systemic issues similarly in each location. Our relationships with these organizations allow us to respond quickly and efficiently when new needs arise — as they rapidly did in 2020.

## How do we scale up our impact?

**We use data** to understand community issues and identify nonprofits that create measurable results. With this insight, we can target Foundation grants, awarding them where they will be most effective. We also partner with organizations that use data, national best practices and proven strategies to continually improve their outcomes.

**We advance racial justice and equity** by giving to nonprofits with demonstrated success in advancing Black communities and by engaging with philanthropic membership organizations such as ABFE: A Philanthropic Partnership for Black Communities and Hispanics in Philanthropy. These organizations help us understand core issues facing communities of color and how, through informed and inclusive grantmaking, we can advance our shared mission of increased diversity, equity and inclusion in our communities.

**We align with the [UN Sustainable Development Goals](#)** to address systemic issues. As we tackle these challenges locally, we join companies and communities globally that are advancing SDG 2, Zero Hunger; SDG 4, Inclusive and Equitable Education; and SDG 8, Decent Work and Economic Growth.

# Meeting needs as rapidly as they arise

## Our response to the urgent needs COVID-19 ignited in our communities

In March 2020, schools closed and communities began shutting down. Nonprofit food providers had to act quickly — and safely — to meet the rising rate of food insecurity. Lincoln Financial Foundation’s deep understanding of these organizations enabled us to act quickly and decisively.

Within the first two weeks of the pandemic, the Foundation responded to the immediate needs of food providers in our communities by donating \$1 million to 30 organizations. Food banks, community pantries and soup kitchens used this funding as they purchased more food and adapted their food distribution models to keep staff and clients safe.

As the crisis continued to grow, the Foundation provided another \$1 million in the following months to 60 nonprofit food and shelter providers. This additional support helped organizations hire new staff, implement safety measures and continue purchasing and distributing food.



Timing made all the difference

Timing made all the difference. By rolling out \$2 million in support when we did, the Foundation empowered essential organizations to reach people at a larger scale than was previously possible.



### WHAT IS FOOD INSECURITY?

A household facing food insecurity does not have, or is not sure of having, enough food for every person. Feeding America, a hunger relief organization, estimates that the number of people experiencing food insecurity in the U.S. rose by 10 million between 2019 and 2020. **A total of 45 million people — 1 in 7 Americans — faced food insecurity during COVID-19. This includes 15 million children.\***

Families who are stretching their resources to make ends meet may feel like they must decide between paying for food, housing or medicine. For that reason, organizations that help households get enough nutritious food can make a difference in more ways than one.

Left: Meals on Wheels volunteers sort and deliver prepared food to seniors isolated at home, carrying out the essential work of Senior Resources of Guilford County in Greensboro, North Carolina.

\*[https://www.feedingamerica.org/sites/default/files/2021-03/National%20Projections%20Brief\\_3.9.2021\\_0.pdf](https://www.feedingamerica.org/sites/default/files/2021-03/National%20Projections%20Brief_3.9.2021_0.pdf)

# Making a difference through human services

The pandemic has intensified food insecurity, but these challenges are not unique to 2020. Each year, Lincoln Financial Foundation tackles issues of hunger in our communities through grantmaking.

Our grantees have a proven track record of generating consistent, meaningful change in many lives. Some have helped people achieve stable housing, emergency shelter or transitional services. Others provide emergency food supplies or a consistent source of affordable, nutritious meals.

**We’re proud to support organizations that are making sure community members of all ages get the nutrition they need — and making food more easily accessible to those who need it most.**

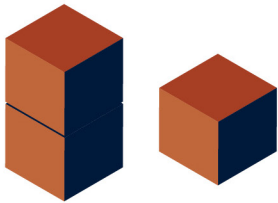
Increased accessibility can take the shape of backpacks filled with food for students to take home on the weekends. It can look like a mobile pantry set up where neighbors can access it on foot. For other organizations, it includes taking food right to the homes of seniors.



Here, we share how grantees battling similar challenges across our communities brought nourishment to more people than they could have predicted just one year before.



Above: Volunteer provides an emergency box of food at a drive-through food distribution site in Phoenix, Arizona.



# Nourishing seniors in more ways than one

Three local Meals on Wheels programs served seniors physically and socially



Above: Jon Nix is the Aging & In-Home Services Nutrition Program Director pictured loading shelf-stable meals into one of the Meals on Wheels delivery trucks.

Homebound and older adults faced the risk of COVID-19 itself — but sheltering at home brought other challenges. Before the pandemic, millions of seniors were food insecure and lonely. In 2020, even more individuals were isolated from relationships and support services that enriched their lives and provided for their physical needs.

Lincoln Financial Foundation awarded grants in 2020 to nonprofits serving seniors in and around our communities. Our grantees quickly adapted their local Meals on Wheels programs so that COVID-19 could not stand in their way of enhancing seniors’ well-being.

Typically, they take clients a meal each day, checking on their well-being and looking for safety hazards inside the home at the same time. During the pandemic, our grantees quickly pivoted to no-contact delivery processes and creatively reworked their delivery schedules to serve significantly more people. They also switched from in-home visits to daily phone calls, providing each client with regular social interaction and the chance to report any needs or concerns.

**Throughout the year, grantees in communities such as Fort Wayne, Ind., Concord/Dover, N.H., and Greensboro, N.C., provided thousands of seniors and homebound adults with consistent nutrition, peace of mind and a sense of connection.**

### Aging and In-Home Services of Northeast Indiana

This organization needed to quickly expand its services to many new Meals on Wheels clients. As the staff supplemented the regular menu of fresh food with shelf-stable meals, they realized they could bring food to each household once every two weeks, freeing them up to almost double their delivery routes.

### Grafton County Senior Citizens Council

This New Hampshire nonprofit replaced in-home visits when delivering food with daily phone calls. The organization surveyed participants after implementing COVID-safe practices to see how well the changes met their needs. The results were encouraging: 90% felt safer during the pandemic thanks to the daily phone call, and 80% felt the program benefited their physical health.

### Senior Resources of Guilford

Over 2020, this North Carolina organization added 350 new clients to their program. They shifted from providing one hot meal five days a week to delivering five frozen — and no less nutritious — meals once a week. The organization also delivered treats like locally made biscuits and handmade cards. These special items showed clients someone was thinking of them.

# Fighting food insecurity – and distributing hope



Above: A volunteer helps a neighbor in need collect a box of food at St. Mary's Food Bank in Phoenix, Arizona.

Right: An Atlanta Community Food Bank client selects nutritious food for her family of four. "This food helps us pay our bills. Getting food at the community pantry allows us to put money for milk towards paying a bill."



## Food banks across all Lincoln Financial locations filled an urgent need

We have relationships with food banks in all Lincoln Financial locations. Many of these partnerships have been in place for years. Others were brand new at the beginning of 2020, as we continued to broaden our impact. All our food bank grantee partners – old and new alike – responded to the pandemic with quick thinking and efficiency as demand for food rose by as much as 50% in some areas.

They did not let dwindling food donations keep them from making a difference in people's lives. They raised funds to purchase more food and continued distributing it to community pantries, emergency shelters, places of worship, and student and senior programs. By setting up drive-through distribution centers and contactless mobile pantries, they not only improved safety but also expanded access to more people.

Some food banks quickly launched or expanded home delivery programs for community members who could not safely come to them. Others focused on filling the nutrition gap for children. Millions of students across the country rely on school meals for consistent nutrition. When schools in our communities closed – and food insecurity shot up to 20% for children – food banks found new ways to help.\*

**Altogether, our ten food bank grantee partners helped more than 1.5 million people in our communities fight food insecurity and take more control over their circumstances.**

\*[https://www.feedingamerica.org/sites/default/files/2021-03/National%20Projections%20Brief\\_3.9.2021\\_0.pdf](https://www.feedingamerica.org/sites/default/files/2021-03/National%20Projections%20Brief_3.9.2021_0.pdf)



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More than 42 million people in the U.S. may experience food insecurity in 2021, including a potential 13 million children, as a result of the ongoing effects of the COVID-19 pandemic. The generous outpouring of support from across the country has had an amazing and immediate impact on the network of 200 food banks Feeding America helps support, especially during this challenging time.

— Casey Marsh, Chief Development Officer, Feeding America

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## Communities

### Food Bank for the Heartland

This organization based in Omaha, Neb., launched its Mobile Backpack program to supply meals to children who faced increased food insecurity during school shut-downs. Between March 20 and August 7, 2020, this program served more than 400,000 meals. The food bank and its Backpack program continued making a difference as students headed into the next academic year.

### Foodshare

The regional food provider for greater Hartford, Conn., distributed more than 19 million meals in 2020 — a 73% increase over 2019 and the largest amount in Foodshare’s 39-year history. The organization provided 9 million of these meals directly to individuals through mobile food distributions and emergency drive-through sites created in response to the pandemic.

### St. Mary’s Food Bank

Between March 1 and December 31, 2020, this food bank in Phoenix, Ariz., distributed more than 100 million pounds of food. They provided a portion of this total through 375 no-contact mobile pantries, distribution events on the Navajo Nation and home delivery to nearly 4,000 households.

# Making a difference through education

Each year, the Foundation invests in nonprofits that empower children and youth to reach their full potential. Our 2020 grantee partners had a strong track record of making a difference in students' lives by providing the right resources at critical educational milestones.

When the pandemic arrived and stayed, these organizations were prepared to make informed decisions about how to effectively move forward through new challenges. As schools shut down, they mobilized to serve their students safely and consistently.

**Our grantee partners found innovative ways to provide critical resources, such as learning support, career training and technology. Many educational organizations also collaborated with food banks or pivoted to provide meals and other essential resources.**

Thanks to our grantees' dedication and creative problem-solving, young people in our communities did not feel isolated and alone.



Above: Credit — Nic Czarnecki for Boys & Girls Clubs of Boston.

Right: Moving activities outdoors was critical to providing socially distant programming for students at the Boys & Girls Clubs of Boston.



Here, we share how our grantee partners helped students learn and grow in a world where education looked very different.

## Helping students grow

The Foundation supports programs devoted to every stage of a student's educational development, from preparing children to enter kindergarten to positioning young adults for post-secondary success.

We ask grant recipients to measure important outcomes, such as reading at grade level, improving academic performance and graduating from high school or college. These outcomes demonstrate how effectively programs are helping students reach the important milestones on their academic journey.

# Providing students with steady support

## Boys & Girls Clubs created spaces where stability and hope were possible

The pandemic shook children’s worlds to the core. But even as many families experienced financial challenges and food insecurity, **Boys & Girls Clubs** around the country offered a constant source of necessary resources — and hope.

Boys & Girls Clubs seek to enable all young people to reach their full potential in safe, fun environments with caring mentors and high-impact programming. Local Clubs quickly adapted during the pandemic to remain present in children’s lives, even if their facilities closed temporarily. They delivered virtual programming and developed processes to supply food, books and hygiene kits.

By July, all Clubs funded by the Foundation were able to reopen for safe in-person programming. Some Clubs began offering full-time childcare, and many created space for students to “attend” virtual school classes, once the new school year started.

The Clubs’ educational academic success programs, including Power Hour, Readers to Leaders and Project Learn, continue to help children overcome educational gaps created by the pandemic, while regular meals help them stay healthy and develop academically.



No matter what they are experiencing, children in our communities can rely on Boys & Girls Clubs. That makes a huge difference each day on the journey to reaching their potential.



Above: Students learn to make healthy snacks at the Boys & Girls Clubs in Greensboro, North Carolina.

Left: Part of a healthy lifestyle includes learning skills at the Gerald and Darlene Jordan Boys and Girls Club. The Boys and Girls Clubs in all our locations provide access and opportunities for children and youth in kindergarten through 12th grade.

**Boys & Girls Clubs of Hartford**

The Boys & Girls Clubs of Hartford (BGCH) — the very first Club in the national network — touches the lives of nearly 1 in every 3 children in Hartford Public Schools.<sup>1</sup> This 160-year-old organization went virtual in 2020, quickly adapting in-person programming for a digital platform.

The Club knew that many children’s parents worked essential jobs and could not fill the gap left by school closures by themselves. The Club communicated regularly with local health and government officials to respond to specific community needs and opened back up as soon as they safely could to keep children on track to learn and grow. Since then, they have continued to benefit youth through Power Hour, Project Learn and other programs with proven results.

**Boys & Girls Clubs of Boston**

With 11 individual Clubs in the Boston area, this organization helps thousands of students learn and grow through Power Hour. Last year, 93% of the Clubs’ Power Hour participants said the program helped them finish homework and do better in school.<sup>2</sup>

**Boys & Girls Clubs of the Midlands**

For nearly 60 years, this organization has supported youth in the Greater Omaha area. Fourteen individual clubs help more than 7,000 children stay engaged in learning and gain pride in the progress they make. Their commitment to these children never wavered during the difficulties of 2020.

**Boys & Girls Clubs of Philadelphia**

This organization provided for children and their families’ acute needs with more than 300,000 emergency meals in 2020. Hundreds of children have benefited from their programming as well as their Access Centers, where children can safely attend virtual school classes with reliable internet access.

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Philadelphia’s youth faced physical, emotional and academic challenges long before the onset of the COVID-19 pandemic. The pandemic has only intensified their challenges as school doors closed and food insecurity skyrocketed. Our city’s most vulnerable youth had only one place to go: the Boys & Girls Clubs of Philadelphia. We know the support we provide now will be critical to developing the long-term growth and success of all our youth.

— Lisabeth Marziello, President-Chief Executive Officer,  
Boys & Girls Clubs of Philadelphia

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<sup>1</sup> <https://www.bgchartford.org/about-us/our-impact/>  
<sup>2</sup> [https://www.bgcb.org/wp-content/uploads/2021/03/BGCB\\_2020\\_Impact.pdf](https://www.bgcb.org/wp-content/uploads/2021/03/BGCB_2020_Impact.pdf)



Rising college freshmen from Philadelphia Futures proudly display the colleges they plan to attend in the fall.

Giving students a head start they can count on

Through **Guilford Apprenticeship Partners (GAP)**, high school students fast-track their careers with paid, hands-on experience and a cost-free associate degree. When they complete their apprenticeships at Guilford County companies, they're ready to fill high-paying technical positions in advanced manufacturing, IT, HVAC and other in-demand industries. **In the midst of school closures and economic uncertainty, students could rely on their apprenticeships for opportunities to learn — and earn.**

GAP celebrated a milestone in 2020 — its first class of apprentices graduated and joined their apprenticeship companies as regular full-time employees. Forty-seven new students entered the program, three of whom apprenticed at Lincoln Financial.

Supporting their determination to succeed

**Philadelphia Futures** provides first-generation college students, who are facing financial barriers, with resources they need to succeed in college and in life. Futures offers college prep classes, college exposure opportunities, and a summer “bridge” program for high school students, then continues long-term personal, financial and academic support throughout students’ college careers. **As the pandemic, racial injustice and political unrest weighed down on their students, Futures found creative new ways to walk beside them and lighten their loads.**

When high schools shut down, Futures increased support and instruction to keep students on track. For college students, Futures addressed a wide range of needs, from helping students travel home when campuses closed to providing Chromebooks for remote coursework. With ongoing support from Futures, these tenacious students continued their path toward a better future.

Our partners support students of all ages

Supporting college students is important to us. So is preparing young children for strong starts in school. Financial and social disadvantages in early childhood can delay or even derail students’ academic and career journeys. We partner with grantees like **Martin Luther King Montessori** to help young children get the early services and learning support they need. This early education program in Fort Wayne, Ind., helps young children build a foundation for ongoing educational growth and a life-long love of learning.

# Making a difference through financial wellness

Contributing to strong, vital communities is intrinsic to who we are.

Our mission — to empower people to take charge of their financial lives with confidence and optimism — extends not only to our customers but to our communities. Our goal is to increase our collective impact by supporting local organizations that share our mission.

The programs we support bolster financial stability in many different ways, including training workers for in-demand jobs, removing barriers to employment, helping families reach financial goals and equipping the next generation with financial education.



We award Foundation grants for three closely related types of programs

- 1 **Financial health** programs that teach key concepts of spending, saving, borrowing and planning. Measurable outcomes for participants include understanding core concepts of personal finance, developing financial goals and planning for long-term needs, including asset building.
- 2 **Workforce development** programs that provide career pathways through certification, skills development, and upskilling and reskilling for jobs in high-demand careers.
- 3 **Community development** programs that promote job opportunities, talent retention and robust communities by fostering entrepreneurship, attracting new businesses and increasing opportunities for people of color.

In 2020, we focused our attention on helping community members navigate the employment, financial and housing impacts of the pandemic. Where layoffs, rising costs and uncertainty had set them back, our grantees gave them tools to create a new path forward.



## Communities



Below, we show how Foundation grantees are multiplying opportunities for financial wellness – during the pandemic and on the other side.

### Data helps us make a difference

Lincoln Financial sponsored metadata research to measure the effectiveness of financial wellness programs across the country. Released in 2020, this study identifies program features that drive positive, measurable outcomes. We are using the findings to continue honing our grantmaking strategy to improve financial wellness and inclusion for low-income community members.

The benefits of this study don't stop with us. Our grantee partners can use the data in their programming decisions. The findings are public so other nonprofits and grantmaking organizations can also benefit. **In the wake of COVID-19, sharing information is more important than ever to help communities recover and individuals advance.**

Left: LSSI Works, a workforce initiative by Lutheran Social Services of Indiana, is committed to providing students personal and professional skills to help them find a career, not just a job. Participants learn from group and 1:1 instruction.

# Clearing the path to better opportunities

## Urban Leagues around the U.S. equip job seekers to change their futures

The National Urban League addresses the needs of underserved communities in 300 locations around the U.S. by protecting civil rights, increasing educational opportunities and promoting economic empowerment. As the pandemic’s effects overlapped with the realities of racism, this historic organization and its 90 local Urban League affiliates continued their critical work of closing the inequality gap that African Americans and other underserved communities face on a regular basis.

To help the National Urban League reach their 2025 empowerment goal — **every American has access to jobs with a living wage and good benefits** — Lincoln Financial Foundation supports Urban League workforce development programs in our communities. These programs arm individuals with training, skills and opportunities for a successful career pathway and secure future. Many programs focus on careers that will help individuals sustain their families over time through higher income, health and retirement benefits, and opportunities to advance.

Over the last ten years, 246,000 people have gained employment through the National Urban League’s workforce development programs. **Drawing on a long history of measurable impact, the Urban League boosts economic mobility through innovative workforce development programs with proven outcomes.**

### Urban League of Philadelphia

The Urban League of Philadelphia (ULP) workforce training initiatives prepare job seekers for meaningful employment through personalized career coaching, customized career plans, and training for digital literacy and intensive technical skills. Job seekers can enter the program at any level of skill, education or experience — ULP welcomes the unemployed, the chronically underemployed, recent college graduates and professionals seeking new fields.

In 2020, ULP supported nearly 700 individuals through career and professional skills development and, in the middle of the economic downturn, connected 160 individuals with employment. Through ULP’s Urban Tech Jobs Program 2.0, some of these individuals are working toward in-demand certifications for the technology industry.

“COVID-19 disrupted the economic wellbeing of Black and underserved communities and magnified pre-existing labor market disparities. We are responding by opening pathways for African Americans in the technology sector and similar emerging industries, bringing diverse, credentialed and highly qualified candidates to the regional workforce.

— Andrea Custis, President and CEO, Urban League of Philadelphia

”

**Urban League of Central Carolinas**

Through its CareerBridge program, the Urban League of Central Carolinas trains individuals for in-demand skilled trades, such as HVAC systems and medical coding.

**Urban League of Eastern Massachusetts**

The Urban League of Eastern Massachusetts focuses on job training and career placement support, including IT careers through MSIMBO, a 20-week intensive coding bootcamp.

**Urban League of Greater Atlanta**

The Urban League of Greater Atlanta prepares participants for long-term careers in the high-demand banking and financial industry through its BankWork\$ program.

**Greater Phoenix Urban League**

The Greater Phoenix Urban League has launched economic empowerment initiatives to train community members in a variety of financial literacy topics, including budgeting, investing and financial planning.



The Urban League workforce development programs offer vital career pathways for clients. Students from the Urban League of Eastern Massachusetts celebrate coursework completion and opportunities for the future.

# Overcoming the barriers to financial health

**Family Service of the Piedmont** (FSP) empowers individuals and families in Guilford County, N.C., to restore hope, achieve stability and thrive through a host of services. Each year, FSP equips more than 20,000 people to handle crises in their lives more effectively.

Before the pandemic, many community members already struggled with poor credit scores, high-interest loans and other financial difficulties; COVID-19 only made circumstances worse. In 2020, FSP's Financial Capability Building and Financial Coaching program continued to empower clients to make better money decisions, boost their financial stability and achieve their goals. This program teaches clients not only how to deal with financial challenges, but how to prevent them in the future.



COVID-19 didn't stop the Family Services of the Piedmont from providing critical services to their clients. The Building Financial Capability and Financial Coaching team prepares to deliver a virtual class.

# Building hope for the future

**Lutheran Social Services of Indiana** (LSSI) equips families facing intense challenges to make positive life choices that lead toward economic stability. The organization seeks to develop self-esteem and hope alongside job skills to enable lasting change — and long-term employment.

LSSI serves under- and unemployed individuals by using proven best practices for personal and professional training, long-term coaching and employment matching — all in one comprehensive program. Once program participants are employed, LSSI supports them through job retention coaching. They meet regularly to discuss work performance, financial stability and future plans. In the middle of the pandemic, LSSI program participants gained steady employment, allowing them to immediately and significantly increase their incomes.

## Connecting communities with trustworthy resources

When the pandemic took hold, many community members faced unemployment, eviction or foreclosure. They also had urgent questions about tax issues and stimulus payments. These challenges were compounded by the uncertainty of where to find accurate, trustworthy information.

Lincoln launched [Community Connections](#), a free online resource for critical information and links to organizations that provide needed assistance. We also partnered with local nonprofits to offer community-specific services. For example, we co-hosted a webcast with the Urban League of Philadelphia and Community Legal Services to teach at-risk community members how to avoid eviction and remain in their homes. In addition, we awarded three \$50,000 grants to legal aid organizations operating on the front lines of COVID-related eviction prevention in our communities in Pennsylvania, North Carolina and Nebraska.

# Empowering and engaging employees

At Lincoln Financial, we count on each other. We're committed to treating everyone with respect and giving all employees a voice.

As a company, we listen carefully to our employees. We learn from each other's stories and stand up for what's right. And together, we turn challenges — even the big ones of 2020 — into the springboards for positive change.



## Empowering well-being during COVID-19

We want our employees to have every opportunity to lead healthy, satisfying lives. That desire drives us to invest in our employees through a broad range of health and wellness programs, as well as wealth accumulation, financial health and protection plans.

During the pandemic, we met employees' evolving needs by quickly taking additional measures, such as waiving copays, offering treatment coverage, offering emotional well-being resources and providing tools to navigate financial difficulties.

We made it possible for 99% of our workforce to work from home in 2020. For essential workers who remained onsite, we instated premium pay and followed best practices for COVID-19 safety to protect their health.

All of our people needed greater flexibility to respond to the logistical challenges of life during a pandemic. We responded by implementing our **emergency leave policy** and leveraging our **flexible work arrangements**, knowing that caregivers needed more freedom to help their kids with remote school.

We immediately communicated each new support measure to our employees and placed information in a central COVID resource center for easy access. We also hosted benefits Q&A town hall meetings. Continuous communication helped our employees stay safe — and feel more confident in the steps they took to protect themselves and their loved ones.



# Benefits for every part of life

We regularly add new programs and benefits, and each year, the *Lincoln Be Well Guide* and *Your Total Rewards Guide* show employees the full range of resources available to support their physical, emotional, social and financial well-being. Each employee also receives a personalized *Your Total Rewards* statement illustrating their total direct and indirect compensation.

## Physical and emotional well-being

Our comprehensive health and wellness benefits include a medical plan with domestic partner eligibility, a health savings account with a company contribution and a healthcare flexible spending account. Benefit plans cover in-network preventive care and a broad range of other benefits, such as applied behavioral therapy for employees' children diagnosed with autism spectrum disorder. Our well-being program also provides access to health coaches, screenings and digital tools that help employees nurture healthy lifestyles.

### We connected our employees with two important new offerings in 2020

- 1

**CVS AccordantCare** supports employees and their dependents who are managing chronic conditions such as cystic fibrosis, Crohn's Disease and multiple sclerosis.
- 2

**Ovia Health** maternity management program supports employees through the entire journey from fertility to caring for a new baby.



Employees and their household members qualify for **free counseling** through the Employee Assistance Program (EAP). They also have 24/7 access to online **mental health resources** in a variety of formats, such as videos dedicated to helping them care for their emotional well-being during the pandemic.

## Healthy at home

When the pandemic hit, our onsite health coaches and group programs, like Walk at Lunch, quickly switched to virtual formats. Participants encouraged each other to stay involved and shared photos of their remote experiences.

As employees settled into new routines, we kept self-care front and center by promoting pharmacy delivery service, telemedicine options, on-demand workout videos and health and well-being webinars. More employees than ever participated in our wellness webinars on topics such as nutrition, heart health, stress management, mindfulness and resilience.

We continued our biannual wellness challenges from home in 2020 — and even added a third. The Spring into Action and End of Summer Shape-Up Challenges helped employees build better exercise habits, while the Fall Fuel-Up Challenge focused on nutrition.

### Social well-being

Through our employee assistance program (EAP), we help our people handle both crisis situations and everyday issues. These range from stress management to couples counseling to caregiving resources.

When new children are on the way, eligible employees can take advantage of paid parental leave and adoption assistance programs. A dependent care flexible spending account is available to pay for day care expenses with tax-free dollars, and employees can get referrals for both child and elder care services.

Our policy for paid time off is designed to promote a healthy sense of balance between work and personal life. In 2020, we provided additional time off to vote in the general election.

**Caregivers have access to Homework Connection, a partnership with Tutor.com that provides students with one-on-one, on-demand homework help at no cost.**

### Financial well-being

We put a variety of resources at our employees' fingertips so they can plan, save and prepare for the unexpected, even in a year like 2020, including:

- Expert guidance from dedicated Lincoln Financial retirement consultants
- Savings account program, including our ["best-in-class" 401\(k\) plan](#) with an annual 4% company contribution plus matching contribution of up to 6%
- Accident and critical illness insurance
- Short- and long-term disability plans
- Company-provided life insurance

We adopted provisions of the federal government's CARES Act to support employees dealing with COVID-related financial challenges. Through this change, they could tap 401(k) funds in 2020 without tax penalty.

Our newest financial well-being offering, **Ayco Personal Financial Management**, is empowering employees to handle the financial impacts of COVID-19. They receive one-on-one financial coaching and robust digital tools to learn effective ways of saving money, paying down debts and planning for major life changes.



# Inviting engagement during a year apart

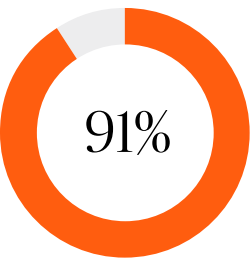
Employees count on us to value their unique perspectives, insights and contributions. We are committed to creating a work environment in which everyone contributes to and feels connected with our company's growth.

In the office, casual conversations and everyday interactions help us stay connected. Working from home required a new way for employees to consistently voice their ideas and concerns — and for us to listen. Launching our Feedback Friday surveys helped us solve the challenge.

Every Friday, we invited all of our employees to weigh in on three related questions. And every week, thousands took the time to quickly respond to the survey.

The polls covered a wide range of topics, including remote work needs, parent/caregiver needs, telemedicine and Lincoln's response to racial injustice. **Employee feedback inspired many of our quick responses to COVID-related needs, from our emergency leave policy to ergonomic support for remote work.**

**Employees' enthusiastic and consistent response showed us how important these weekly surveys were to individuals across the company.**



of participants agree that Lincoln has supported them in adapting to COVID-related changes.

In addition to Feedback Fridays, Lincoln fielded our company-wide engagement survey in 2020. We used the data to equip managers for building team engagement plans.

Give us your 2¢

The 2020 Employee Engagement Campaign

## Fighting food insecurity through engagement

We encouraged everyone who completed the engagement survey to spread the word via our internal social networks. For every person who did, we donated to Feeding America. **The campaign resulted in a 95% survey participation rate and a \$50,000 donation to help families across the U.S.**

# Helping our people grow

We love what we do at Lincoln Financial. We know our work is meaningful for customers, and there are always new ways for our employees to enhance and expand their skills.

Our vision is to foster a learning culture that benefits all employees and drives business performance. We approach this in two ways:

1

We nurture managers' ability to build high-performing teams and engage individuals in planning their career paths, and

2

We accelerate employee performance, upskilling and career growth through targeted learning opportunities.

## Welcome to Leadership Lab

**Leadership Lab** is our new, two-month developmental experience for all Lincoln managers. This highly interactive training helps each leader ground their management approach in ethics, compliance, and diversity and inclusion. Leadership Lab generates high-impact learning by giving participants the opportunity to explore their own thought processes and solve real-world problems through virtual reality simulations. The experience empowers managers to effectively grow their teams and contribute to company-wide and business-specific goals.

## Opening doors for opportunity

Each year, employees create an individual development plan in collaboration with their managers and guided by the Lincoln Financial Career Framework. With their goals in mind, employees at every level of the company can access hundreds of unique development programs, instructor-led courses and self-directed learning options.

We partner with Harvard Business Publishing to offer courses specifically designed for our mid-level employees and senior leaders, and we leverage the online learning platform Udemy for other training and development needs.

In 2020, each employee completed an average of:



- **40 hours of corporate training** that covers noncompliance topics
- **3.5 hours of compliance training**, including general and HR-specific compliance
- **1.75 hours of cybersecurity training**
- Approximately **30 hours of business-specific training**

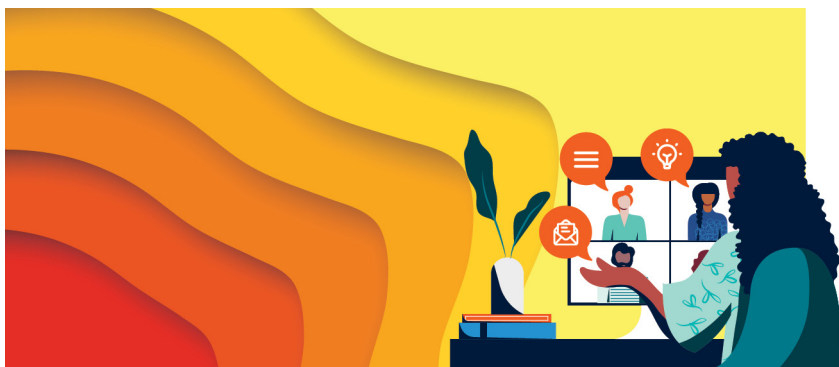
## Developing leaders from within

From internships and early talent programs to our Officer Readiness Development Program (ORDP), there truly is a development program for everyone at Lincoln.

The six-month ORDP prepares diverse, high-potential talent for the next step in their careers, the Officer level (Assistant Vice President and above). ORDP is designed to benefit participants through robust training, and to benefit our company as a whole by supporting succession planning and diversity and inclusion efforts. Over the first two years of the program, 51% of participants have already been promoted to Officer.

[Get more details on how Lincoln employees shape their career paths](#) and read our [Statement of Commitment to Career Framework](#).

## Finding strength in diversity and inclusion



At Lincoln Financial, we foster a culture that allows all employees to feel a sense of belonging and ultimately empowers us to do our best work. Our differences make us stronger and a diverse and inclusive workforce expands our ability to help every customer build their financial future with confidence.

Our long-standing diversity and inclusion (D&I) strategy serves as our foundation for connecting with the markets and communities we serve. Additionally, our D&I efforts create a safe and welcoming environment for employees. As the devastating events of 2020 unfolded, it showed us there was more we could and should be doing to support our workforce and community, and we stepped up to the challenge.

We listened and learned from one another, as employees led the way by sharing their personal experiences with racism and discrimination. From this conversation, we developed a plan to support racial justice and equity inside and outside of our workplaces.

**This is how we continue to make a world of difference — together.**

### Living our strategy starts with leadership

**Commitment to D&I begins at the highest levels of our organization and sustains our journey of improvement.**

Lincoln Financial's CEO Dennis R. Glass was among 175 top executives who signed the nationwide **CEO Action for Diversity & Inclusion™** shortly after it launched in 2017. To date, nearly 2,000 leaders have joined this commitment to collectively advance D&I in the workplace and our CEO's ongoing commitment has enabled us to weave our D&I strategy more deeply into our company and culture.

D&I is a leadership competency and expectation at Lincoln, and it continues to evolve. In 2020, we further embedded D&I as a formal expectation for our senior leaders by tying our aspirations to their compensation.

#### We live out our D&I strategy and support our CEO Action for Diversity & Inclusion commitment by:

- Fostering safe spaces to hold difficult, sometimes challenging conversations about D&I
- Offering a wide range of D&I learning opportunities, including unconscious bias education
- Maintaining spaces where people of any faith or spiritual practice can pray, meditate and reflect
- Driving awareness of our D&I resources and policies
- Developing accountability systems to track progress
- Sharing best practices and learning from unsuccessful efforts
- Creating and sharing strategic D&I plans with our Board of Directors

The Lincoln National Corporation Board of Directors is actively engaged with the governance of our D&I strategy, and D&I is included as a standing board agenda item. In 2020, a Chairman's Diversity Committee was established to affirm and support our efforts to sharpen our focus on racial justice and equity through action. As a result, eight commitments for sustainable action were introduced to chart our path forward.

[Meet our Board of Directors >](#)

# Moving toward racial justice and equity, together

At Lincoln Financial, we work to bring confidence and optimism into people's lives. Racism and discrimination do the opposite.

As our country witnessed violent acts of racism, we invited our entire workforce to speak up for fairness and justice. Our CEO, senior leaders and employees across the company responded by sharing our [pledge to be an ally](#) for the Black community.

To advance from making this commitment to making a difference required us to engage in authentic conversations about racism. We knew these conversations would deepen understanding and generate empathy. Creating safe spaces for hard conversations is an ongoing part of our D&I strategy, but we amplified our efforts in 2020 to bring many more employees into the conversation about racial justice and equity.



## Connecting through conversation

Our African American Business Resource Group led the way by holding open conversations about race in the workplace, personal responses to ongoing racist actions, and shared resources available for mental and emotional support.

Dialogue continued through sessions co-hosted by our D&I and employee relations teams, and soon, the entire employee population became engaged when our CEO hosted an all-employee town hall dedicated to discussing racism and the importance of allyship. To support ongoing discussions, we shared materials to help leaders confidently facilitate crucial conversations with their teams.

In each of these spaces, employees across the company bravely told personal stories of regular encounters with racism. Our leaders shared their experiences as well, opening up about facing discrimination, bias, stereotypes and microaggressions in daily life.

We listened to each other and asked questions to better understand how racism impacts lives. For some employees, this was the first time they had spoken publicly about their experiences. For others, it was eye-opening as they realized the different life experience and challenges some colleagues face based on their race.

**These conversations provided space for growth and connection. What we learned here made us stronger — and prepared us to take action.**



### I pledge to be an agent of change.

I am committed to being an ally for fairness and justice for our Black colleagues and the Black community.

I pledge to...

- Be honest about my personal biases
- Be vocal
- Be brave
- Be a friend
- Be an advocate
- Be informed

*"There is not a moment of time to be lost."*  
Admiral



## Empowering relationships

Lincoln Financial participates each year in the CEO Action for Diversity & Inclusion Day of Understanding. For the 2020 event, passionate employees led their colleagues in workshops dedicated to "Facilitating a Conversation of Understanding."

Among other topics, participants learned about R.I.C.H. Dialogue™. This communications framework provides practical guidance for exploring different perspectives around race, identity, culture and heritage. Attendees learned how R.I.C.H. Dialogue™ can help employees build relationships across differences.

## Support through action

Sharing, listening and learning made a difference in how we moved forward. Our [eight-part plan](#) builds on our D&I strategy by driving focused change over time.

We are supporting racial justice and equity by:

- Implementing sustainable, integrated practices in recruiting, retention and development to **increase Black populations at Lincoln**
- Retaining, developing and **increasing minority leadership**, specifically growing minority representation at the Officer level (Assistant Vice President and above) by 50% over three years, with a special focus on the Black Officer population
- Formally **tying compensation to D&I objectives** for senior leadership
- **Expanding the D&I function**, which will continue to support enterprise-wide and business-specific efforts
- Continuing to grow Lincoln's **African American Financial Professionals Network**
- Continuing **conversations about race** across the organization
- Combatting racism and bias by **preserving the history of the Black experience** and its relationship to American culture and progress, **via a \$1 million contribution to The HistoryMakers** over time
- **Leveraging the Lincoln Financial Foundation to further support Black communities** by giving to nonprofits that advance Black communities and by engaging with philanthropic membership organizations that focus on equity-based grantmaking



### The HistoryMakers: The importance of Black history, today

Many of the Black community's accomplishments and contributions to American culture and progress have largely been untold. Important stories have been missing from the record of American history, and [The HistoryMakers](#) is changing that through a mission of preservation and education. This organization records African American oral histories and makes them widely accessible through a one-of-a-kind collection.

As part of our \$1 million contribution, we sponsored The HistoryMakers' 20th anniversary event. Over three weeks, top African American thought leaders discussed the importance of preserving the stories of the 20th-century Black experience. The HistoryMakers' digital archive is accessible to our full employee population and provides us with knowledgeable and powerful starting points for conversations about race.

**The range of our actions strengthens us from the inside out. Visit our [D&I webpage](#) to learn about the progress we're making and hear from our leaders. >**

### Partnering for impact

We can make a difference — but we can't do it alone. Lincoln Financial has built long-term partnerships with professional and industry groups that focus on diverse talent and market segments, including Prospanica, the International Association of Black Actuaries, the National Association of Black Accountants and Getting Hired.

These partnerships help us connect more deeply with specific communities and proactively engage new talent. As we pursue racial justice and equity, we will continue to strengthen our existing relationships and forge new ones.

Last year, we established a partnership with [UNCF](#) (United Negro College Fund). Since 1944, this historic organization has enabled more than 500,000 African American and other underserved students to attend college, receive a quality education and prepare for career success. UNCF awards more than 10,000 scholarships each year, financially supports 37 Historically Black Colleges and Universities (HBCUs), and advocates for both students and HBCUs federally to ensure their voices are heard when financial and legislative decisions are being made for the nation.

**Through the partnership, we're introducing students at HBCUs to career pathways in insurance and asset management. We've also gained new opportunities to recruit students for our internship development program and other potential early-career opportunities.**

### Refreshing how we recruit

In alignment with our action plan, we have hired two dedicated diversity recruiters. These recruiters are deepening relationships with external partners and driving internal programs to help us find and attract diverse talent.



# Involved in change

Employees across the organization use their passion, skills and creativity to advance diversity in a variety of ways.

Three specific types of employee groups provide critical support for our D&I strategy and create new ways for their colleagues to stay informed and get involved. Their ongoing efforts also help keep crucial conversations about racism and inclusion moving forward.

## Business Resource Groups

Our Business Resource Groups (BRGs) help embed diversity and inclusion in our company culture from the inside out. They are employee-led and represent a cross-section of businesses and functions throughout our organization.

These groups also drive employee diversity programming, business innovation and outreach events to support members of their respective communities. Supporting the community takes many shapes, though it has recently focused on building financial wellness. In 2020, for example, the Asian American Pacific Islander BRG hosted a virtual program that introduced high school students to the basics of financial wellness and to career opportunities in financial services. The African American BRG delivered a similar program for college students, walking them through the stages of financial literacy from college to retirement.



Employees are welcome to join any of our seven BRGs. We experienced record growth — participation grew by nearly 50% on average across these groups.

- African American
- Asian American Pacific Islander
- Latino
- LGBTQ+
- People with DisAbilities
- Veterans
- Women



## Multicultural Awareness Committees

Multicultural Awareness Committees (MACs) foster an inclusive environment in the workplace by educating employees about diverse cultures, backgrounds, viewpoints and lifestyles. MACs had previously provided location-specific programming in each of Lincoln’s key locations, but 2020’s pivot to a virtual environment allowed these groups to shift to virtual enterprise-wide programming to reach more employees with dynamic cultural learning opportunities.

## Diversity Action Teams

Diversity Action Teams (DATs) connect D&I efforts within their respective business unit or corporate function with our overall strategy. Their work enables us to live out our strategy by weaving it into business-level processes and priorities. DAT members are visible champions for D&I outcomes such as engaging diverse markets, driving inclusion of women and people of color, and advancing cultural acceptance.



## Advancing opportunities for women

Employee groups are creating new professional development and networking opportunities for women across our business areas.

The WISE Group (Women Inspiring, Supporting and Educating), for example, supports Lincoln's female financial professionals and their clients. The WISE Group partnered with Lincoln Financial Distributors (LFD) last year to launch a new group that provides similar resources tailored for Women in Sales.

The Women's BRG partnered with leaders in our IT organization to launch Women in Technology. This new group aims to engage, elevate and empower technical talent at Lincoln.

## Expanding inclusion for all

Lincoln Financial continually improves inclusion for people of all gender identities and sexual orientations. We ensure that job applicants and employees have options to self-select nonbinary gender identifiers, and we continually update our Transgender Inclusion Policy. We have expanded our education and training opportunities and developed tools for allies of the LGBTQ+ community.

### Our commitment is nationally recognized

We are proud to be recognized by leading organizations that promote D&I. Their recognition provides an outside perspective on how we make a difference for our employees.



Read more about these distinctions [here](#).

## Respecting all people, every day

Our belief that all people should be treated with respect and dignity comes to life through every employee interaction, partner relationship and customer engagement.\* In each instance, we conduct business in a manner that upholds our [Workplace Principles and Human Rights Standards Policy](#), consistent with the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

We prohibit all forms of discrimination and harassment, and we strive to advance racial and ethnic minorities, women, individuals with disabilities, veterans and other groups protected by law. We are firmly [committed to Equal Employment Opportunity](#) and have reported the breakdown of our workforce by gender, race, and ethnicity in our [2020 Human Capital Diversity Update](#), which includes our EEO-1 Report. Our requirements and expectations regarding fair employment are clearly outlined in our [Code of Conduct](#) and are included in our training for all employees.

We are [committed to gender pay equity](#). Annual reviews of our compensation practices, benchmarking studies and pay-related questions in our employee engagement survey help us successfully prevent gender or other pay disparities.

## Aligning suppliers with our values

In addition to seeking out first-rate products and innovative solutions, we proactively search for suppliers that share our values and reflect the demographics of our markets. We collaborate with minority supplier networks to identify potential minority and women-owned suppliers.

We include language in our contract templates and supplier onboarding processes that prohibits all forms of discrimination and harassment. We explicitly reinforce our expectation that suppliers share our commitment to D&I.

**Learn more about how we're expanding [supplier diversity](#) and access our [Supplier Code of Conduct](#).**



\*Lincoln Financial is committed to complying with all labor laws in all the jurisdictions in which we operate. These laws include, but are not limited to, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Americans with Disabilities Act, the Fair Labor Standards Act and the National Labor Relations Act.



# Caring for the environment

When one person does their part for the environment, it's an important step. When all of us at Lincoln Financial take action, we can truly make a world of difference.

From preventing waste to preventing greenhouse gas emissions, everything we do for the natural world benefits our communities, clients and employees. And when we optimize efficiency in our operations, we contribute to a stronger business as well as a healthier environment.

## Advancing toward environmental goals

In our operations, what's good for the environment is good for our business. We measure annual progress against specific goals we've set to reduce our environmental footprint in line with our [environmental policy](#). Each year's progress helps us shape the long-term outlook for our employees, communities, policyholders and shareholders.

With the majority of Lincoln employees working from home, our efforts to care for the environment in 2020 looked a little different. So did the progress we made. Our COVID-safe work arrangements meant we used less electricity at our facilities. We're pleased to see these lower numbers, but we know they do not predict what our impact will be like in coming years.



## Our ongoing progress

### Reduce electricity use

Our original goal for the Greensboro campus was to reduce electricity consumption by 10% by 2020 compared to a 2014 baseline. We surpassed that goal in 2018 — achieving more than a 17% reduction — and set a new goal to achieve a total reduction of 35% by 2022. In 2020, we continued to make progress on this goal and reduced electricity consumption by 34% during our year of working from home. This goal will be superseded by our new 2020 targets that are aligned with the Paris Agreement (see below).

In our Omaha location, we sought to reduce consumption by 8% by 2020 based on a 2014 baseline. We surpassed this goal in 2019 with a total reduction of nearly 11%. In 2020, we continued this trend of lowering our electricity usage, reaching a total reduction of 32% since 2014.

### Reduce greenhouse gas emissions

We had previously committed to reduce our greenhouse gas emissions intensity per employee from purchased electricity (Scope 2) by 20% by 2020 against a 2014 baseline. We exceeded this target earlier than expected, reducing our overall intensity per employee by 27.42% in 2019. For 2020, we continued to decrease our intensity per employee by 45%.

### Setting new greenhouse gas reduction goals

Lincoln remains committed to reducing our environmental impact in line with evolving best practices and scientific frameworks.

**Having successfully achieved the initial targets set in 2014, Lincoln Financial set a new GHG reduction target in 2020: to reduce Scope 1 and 2 emissions by 25% from a 2019 baseline by the year 2025.**

This aligns with the science-based targets methodology for reducing direct emissions. Our targets are consistent with the international Paris Agreement's goal to limit global temperatures from rising more than 1.5 degrees Celsius compared to preindustrial levels.

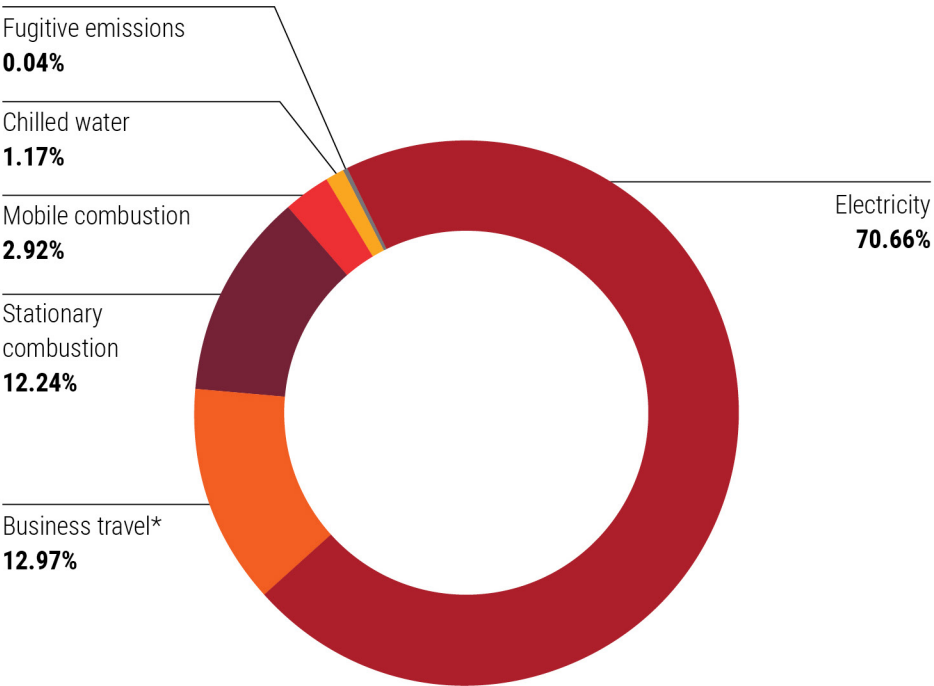
# Disclosure and verification

We publicly report our carbon emissions management efforts and performance annually through CDP and obtain independent third-party verification of our greenhouse gas emissions data.

As they become available, our most recent [CDP submission](#) and [Assurance Statement](#) are available on our company website.



2020 Greenhouse gas emissions by source (tonnes CO2e)



\*Includes air, personal vehicle and rental car travel. Does not include rail travel.

# Responsible at work ... at home

In 2020, we encouraged our employees to consider how their work-from-home activities affected the environment — and to imagine how we could improve together.

Employees working from home for the majority of the year increased their use of digital documents. LFG reduced paper purchase by 43%, saving 37,000 reams of paper.

## Encouraging employees to take action

We celebrated Earth Day 2020 as we were adjusting to our new work-from-home routines. We focused on how our individual actions combine to create a meaningful impact for our environment.

**To encourage individual employees to take action and connect with one another, we launched the #MyEarthDayChallenge.**

Employees participated by taking an Earth Day pledge or doing an “earth-preserving” activity from home, then sharing their ideas and experiences with each other online. For every pledge made, Lincoln Financial planted a tree through the Arbor Day Foundation.



As employees transitioned to working from home, we continued to track our environmental impact. During this period, we saved nearly 1,000 trees and reduced water consumption by 833,000 gallons.



Lincoln employees celebrated Earth Day 2020 by participating in a variety of “earth-preserving” activities while working from home.

## 2020 environmental performance

We measure and manage our environmental performance so that we can strengthen our business, profit our communities and meet shareholder and policyholder needs.

GHG emissions by scope (tonnes CO <sub>2</sub> e)						
	2015	2016	2017	2018	2019	2020
Scope 1	3,469	2,666	2,931	2,905	3,173	1,750
Scope 2	12,600	11,155	11,099	9,820	9,013	6,734
Scope 3	30,594	28,081	26,076	28,897	28,089	14,483
<b>Total</b>	<b>46,663</b>	<b>41,901</b>	<b>40,106</b>	<b>41,622</b>	<b>40,276</b>	<b>22,967</b>

Waste and recycling (U.S. tons)						
	2015	2016	2017	2018	2019	2020
Landfill	4,349	1,424	1,888	2,355	3,388	841
Recycling	848	965	832	1,033	769	537
Waste to energy	92	155	106	108	112	83
<b>Total</b>	<b>5,289</b>	<b>2,544</b>	<b>2,825</b>	<b>3,497</b>	<b>4,270</b>	<b>1,460</b>

Energy usage (MWh)						
	2015	2016	2017	2018	2019	2020
Chilled water	418	2,107	2,000	2,114	1,978	1,568
Mobile	7,057	5,712	6,766	5,274	5,719	2,616
Stationary	15,698	14,855	13,596	16,882	17,852	14,496
Electricity	63,358	61,098	57,976	56,620	53,914	44,936
<b>Total</b>	<b>86,532</b>	<b>83,773</b>	<b>80,338</b>	<b>80,889</b>	<b>79,464</b>	<b>63,616</b>

Water usage (gallons)						
	2015	2016	2017	2018	2019	2020
Total for sites with actual data	43,276,240	48,370,974	46,975,965	37,250,478	33,984,980	15,636,211
<b>Total</b>	<b>43,276,240</b>	<b>48,370,974</b>	<b>46,975,965</b>	<b>37,250,478</b>	<b>33,984,980</b>	<b>15,636,211</b>

Note on data: All environmental data represents 100% of Lincoln Financial's operations. Estimates were used where actual data was not available. Significant decreases in all metrics can be attributed to Lincoln's work-from-home policy starting March 2020 and the closing of our Concord office. For additional information about our environmental reporting, please see our CDP report.





# Upholding responsible business practices

**In a season of change and challenges, our sense of integrity has been our guide.** In our business policies, governance systems and everyday interactions, we hold ourselves to the same high ethical standards we always have. Every day, we choose to do the right thing.

We continually look for new ways to meet the needs of those around us, and new ways to serve our customers, communities and each other with excellence.

# Honoring our ethics and Code of Conduct

Integrity, respect and responsibility are not just guiding principles at Lincoln Financial. They unify and inspire us to help people take charge of their lives.

The [Lincoln Financial Code of Conduct](#) is the heart of our ethical culture. Overseen by the Senior Vice President, Chief Ethics & Compliance Officer, it acts as a roadmap to ethical decision-making and behavior that helps us accomplish our work responsibly.

## Mandatory Code of Conduct and other compliance training

Our Enterprise Ethics and Compliance team provides 100% of our employees with mandatory training on the Code of Conduct. The training covers key topics from the Code, including anti-corruption, anti-bribery, competition and anti-trust and conflicts of interest. Additionally, there are other role-based compliance trainings focused on anti-money laundering and fraud prevention, privacy, insider trading and related policies throughout the year.

## Communicating our expectations

Lincoln Financial's ethics and compliance communications plan continually reinforces our Code of Conduct and our expectation that employees and agents always behave in accordance with our shared values and principles. Our support systems make it easy for employees to "do the right thing" every time.

On our intranet, we are continuing the very popular "What Would You Do?" series that brings our updated Code of Conduct to life with stories based on actual events at Lincoln Financial, as well as various ethics and compliance topics. Our popular internal social media channel, "Oh Behave," also features a variety of Ethics & Compliance-related stories.

## Managers' responsibilities

Through our Code of Conduct and training programs, we emphasize the special role managers play in modeling ethical behavior for their teams and understanding all applicable corporate policies.

## Reporting ethical concerns

Our secure, confidential [Ethics Hotline](#) with live chat functionality enables employees and the public to anonymously report ethics, integrity and compliance issues 24 hours a day, seven days a week.

The board's Audit Committee meets with the Chief Ethics and Compliance Officer multiple times each year to review quarterly reports on compliance matters. Together, they discuss the effectiveness of our Ethics & Compliance program and assess how we manage key risks and policies.

## Online access to policies

Every employee has access through our intranet to our Code of Conduct and all company policies, including [Lincoln Financial's Conflict of Interest Policy](#), [Political Contributions Policy](#), and [Anti-Bribery and Anti-Corruption Policy](#). More information is available on the [Corporate Governance section of our website](#).

## Ongoing compliance monitoring

To ensure colleagues are acting in accordance with internal guidelines, we regularly collect and analyze information regarding compliance with the Code of Conduct and our policies. The Office of the General Counsel is informed of any issues that are raised.

The legal and compliance department meets regularly with senior management to review significant issues or trends relating to compliance with the Code and our policies. Based on this analysis, we determine whether to revise our processes and key controls, including policies and training.

## Supplier Code of Conduct

Our expectations for ethical conduct and responsible business practices extend to the suppliers who provide goods and services to us. We have set forth those expectations in our [Supplier Code of Conduct](#), which includes governance, management systems and business ethics; supplier diversity and inclusion; labor, human rights and social responsibility; and environmental stewardship.

# Directing our path forward

## Board oversight

Members of the [Lincoln National Corporation Board of Directors](#) serve on the following committees to ensure stringent corporate governance: Audit Committee, Compensation Committee, Corporate Governance Committee, Executive Committee and Finance Committee. The board has oversight of all key policies, including our Code of Conduct, as well as IT security and cybersecurity.

Our [Corporate Governance Guidelines](#) lay out expectations for how the board and our committees function, including independence standards for the board. These standards require that a majority of our directors be independent (as defined under the applicable SEC rules) and meet the criteria for independence as set forth in the New York Stock Exchange (NYSE) listing standards.

## Sustainability governance

**The Corporate Governance Committee of the Board provides oversight of the company's sustainability and corporate social responsibility strategy.**

[Learn more about our corporate governance >](#)

Lincoln Financial's efforts focus on promoting sustainable communities and business practices through philanthropy, volunteerism and our environmental, social and governance practices. The Office of Corporate Responsibility develops and implements our sustainability strategy, which includes the following:

- 1. Issue identification** — We regularly gather information on sustainability issues from a broad range of industry sources and stakeholders.
- 2. Stakeholder communication** — We track and report internally and externally on key indicators related to our social and environmental impacts, including responding to specific information requests and third-party questionnaires.
- 3. Risk and opportunity assessment** — We apply a structured, consistent process to evaluate and prioritize identified risks and opportunities across sustainability matters.

- 4. Risk and opportunity management** — We work together with business units and functional areas to determine priorities, address issues and integrate strategies that make good business sense.
- 5. Governance and management** — The Sustainability Advisory Group, a cross-functional management committee comprised of business unit executives, meets quarterly with our CSR team to consider market developments, societal trends and the potential impacts, risks and opportunities for our company related to identified issues.

## Our sustainability management system

**We recognize the importance of regularly evaluating environmental, social and governance (ESG) factors that may impact the business.**

To formalize this process, we developed and implemented an institutional Sustainability Management System (SMS). The SMS guides us in assessing and managing our environmental, social and economic performance with respect to identified areas of impact. The SMS framework serves as a guide for how to document our management processes and procedures, monitor their outcomes and continually evolve our performance over time. The system follows a plan-do-check-act (PDCA) framework and includes audit procedures for critical areas so that we can verify the accuracy of data and information we publish.

We recognize the business imperative to report transparently on ESG factors and engage with a wide variety of rating and ranking organizations. In addition to this annual CSR Report, we submit to, and engage with, the following: NAIC Insurer Climate Risk Disclosure Data Survey, CDP, DJSI, FTSE4Good, Sustainalytics, ISS and MSCI. This year we are reporting in alignment with [Task Force for Climate-related Financial Disclosure](#) (TCFD) and the [Sustainability Accounting Standards Board](#) (SASB).

### ESG Materiality Assessment

In 2021, a third-party consulting firm undertook a Materiality Assessment to identify those Environmental, Social and Governance (ESG) topics that are of significance to LFG business leaders and external stakeholders. As part of this process, the assessment conducted a market, sector, investor and peer review; interviewed external experts; conducted an internal employee survey; and interviewed senior LFG leaders.

# Managing risk

**Enterprise risk management is an integral part of our business processes. Senior management establishes the policies and procedures we use to assess and manage significant risks to our company.**

We also have a Corporate Enterprise Risk and Capital Committee, made up of members of senior management and the Chief Risk Officer, that provides oversight of our enterprise-wide risk structure and of our processes to identify, measure, monitor and manage significant risks, including capital markets, product and operational risk. The board's role is regular oversight of the overall risk management process, including reviews of operational, financial, legal and regulatory, cybersecurity, compensation, strategic, competitive and ESG risks.

## Identifying and managing potential climate change risks

Through Lincoln Financial's risk assessment process, we have identified potential risks to business operations and profitability driven by physical climate change parameters, such as severe weather events. In our SEC filings, including our Annual Report and Form 10-K, the results of certain weather-related catastrophic events typically associated with climate change are cited as a global risk factor that could potentially affect claim liabilities and the availability of reinsurance. Climate change and other environmental and social impact risks are identified and assessed through the company's formal Risk Self-Assessment process. In addition, an initial two-degree scenario process has been completed to assess Lincoln's risk to climate change.

The Office of Corporate Responsibility oversees enterprise-wide integration of sustainability practices along with climate change risk and opportunity assessment. The office routinely gathers and assesses information relating to relevant business risks stemming from climate change that may impact the company. It is also responsible for the integration of enterprise-level processes for further evaluation of climate change risks and impacts on the business in general, including the management of environmental risks to physical assets.

As part of Lincoln Financial's ongoing strategic management of risk and as part of our sustainability journey, in 2021 our Risk Department developed and analyzed climate change scenarios to identify key risks across the company's operations.

## Preparing for physical asset risks

Severe weather has the potential to impact Lincoln Financial's facilities directly. To mitigate the impact of such events, business continuity and disaster recovery plans are in place for critical business units. Risk assessments are also conducted at specific sites with greater exposure to natural risks, such as severe winter weather and tornadoes.

Learn more about our risk management:

[View our Proxy Statement here >](#)

[Find our Audit Committee Charter here >](#)

[Read our Board of Directors Corporate Governance Guidelines here >](#)

## Managing risk in our products

As a financial services provider primarily engaged in the sale of products and services associated with life insurance, annuities, employer-sponsored retirement plans and group benefits products and services, our company is focused on a variety of risks associated with these businesses. The primary risks associated with these business lines are mortality, morbidity, longevity, policyholder behavior and capital markets risk. As a result, enterprise risk management is an integral part of our business processes.

The corporate Enterprise Risk Management team calculates capital requirements based on catastrophic and other extreme events, which encompasses climate-driven scenarios. Our risk management processes are designed to promote awareness of new, existing and potential risk factors to meet existing and evolving circumstances. To mitigate financial and other risks identified in our Form 10-K, we reinsure a significant amount of the mortality risk on individual life insurance contracts. If Lincoln Financial were to experience adverse mortality or morbidity events, a significant portion of claims would be reimbursed by our reinsurers.

# Integrating environmental, social and governance (ESG) considerations into investment decisions

Lincoln Financial understands the importance of considering environmental, social and governance (ESG) factors in our investments.

Our portfolio management professionals, as well as our internal and third-party asset managers, are guided by our ESG Investment Policy. They integrate ESG considerations into their due diligence, monitoring processes and investment decision-making. All professionals who make investment decisions for Lincoln Financial consider ESG factors in their decisions.

Third-party asset managers are required to consider ESG factors in their investment process and must provide relevant policies annually. Many of Lincoln's third-party asset managers are signatories to the United Nations' Principles for Responsible Investment (UN PRI).

To enhance our internal understanding of these factors, designated individuals are required to participate in ESG training on an annual basis. Our [ESG Investment Policy](#) is reviewed and approved annually by Lincoln Financial Group's Investment Committee.

## Providing socially responsible investment options

We recognize that our customers are also thinking about ESG factors in their investments. For this reason, we offer a variety of [socially responsible investment options](#) in a number of our products, including personal variable annuities, *Lincoln Director*<sup>SM</sup> group variable annuities and other retirement plan solutions.



# Protecting privacy and data security

Lincoln Financial is committed to keeping the personal information collected about our potential, current and former customers confidential and secure.

## Safeguarding customer privacy

Lincoln Financial is subject to both federal and state legislation and regulation governing the protection of nonpublic personal financial and health information we receive about our customers. We place great value on the proper handling of confidential information including nonpublic personal information, which consists of medical, financial and employment information, and strategic business and financial information.

We have adopted policies and procedures that we believe are reasonably designed to comply with all applicable federal and state privacy legislation and regulations governing the protection of our customers' nonpublic personal information. Our [Privacy Practice Notices](#) are available on our website.

We have developed an information security program that addresses physical and logical security, user access management, network perimeter security, incident management, logging and monitoring, vulnerability management, data encryption, application controls, change management, security awareness and other information risk management controls. Lincoln Financial also has an incident response program.

## Security governance

The Chief Information Security Officer oversees data security for Lincoln Financial. We also have a dedicated Privacy team that reports to the company's Chief Privacy Officer. The Information Security and Privacy teams each report up to an executive officer.

### Privacy, security and COVID-19

By mid-March of 2020, 99% of Lincoln Financial employees were working from home to help reduce the spread of the virus. As a company, we were well-positioned to make this shift.

Infrastructure adjustments and our dedicated Privacy and security teams ensured a smooth transition to the virtual environment for our employees — and our customers experienced no interruptions to the services we provide them.

Lincoln Financial's Crisis Management team partnered with key areas across the company to educate employees on a variety of topics related to work-from-home IT and data-related risks. We also updated our policies, procedures and training to address emerging pandemic-related trends in incident response.

## Employee training

Employees play a vital role in keeping information secure. In addition to the mandatory annual information security training for all employees and contractors, Lincoln has a phishing simulation program to enhance employees' ability to detect dangerous emails. We also provide mandatory privacy training each year to help employees understand the important role they play in ensuring that confidential information is accurate, relevant, current and protected, as well as targeted training to employees who handle sensitive information or requests subject to specific statutes.

## Account security

As cyberfraud schemes continue to evolve, we continue to work to protect our customers. Our customer security and anti-fraud website provides tips for customers and explains the steps we take to protect them and their information. [Learn more about our commitment to protecting customer data >](#)

## Annual audits

Multiple internal audits of Lincoln Financial's information risk management practices are conducted each year, including an annual holistic audit covering our information security processes. Four additional external audits are conducted annually that cover (to varying degrees) the company's information security practices surrounding various specific products and systems. Information security policies and standards are reviewed annually and are updated as necessary to appropriately manage information risk consistent with industry standards. Privacy performs separate audits to ensure Lincoln is complying with applicable privacy laws.

## Records management

Our business records retention program mandates specific retention and destruction time frames for all records according to record type and use. We review our retention and destruction policies annually and update them as needed to ensure compliance.

# Enhancing the customer experience during COVID-19

As a market leader, Lincoln Financial is known for delivering unique and effective solutions across the complete spectrum of our business. Innovation is tied to how we deliver a superior customer experience, and it was more important than ever during a year like 2020. We were able to seamlessly transform our user experience to be 100% virtual and also rolled out new products, services and tools to meet customers' needs.



## Innovative products and processes

The pandemic compelled many consumers to think about life insurance and long-term care planning for the first time, or to reconsider their existing plans. We concentrated on helping them determine what is most important to them and their loved ones, and on how Lincoln Financial can help them achieve their goals. We focused on clearing up common misconceptions, and we offered resources to financial professionals to educate their clients on life and long-term care options.

In 2020, we also conducted research to understand COVID's impacts on perceptions of life insurance, which helped us shape new life insurance products that enable greater flexibility.

### Confidence plus convenience

To keep pace with customer perceptions and preferences, we were already moving toward a completely electronic process. When the need for online tools accelerated in 2020, we leveraged our ongoing digital investments to give customers uninterrupted service and more choices in how to interact with us.

Our customers can apply for life insurance online, go through a digital underwriting process and receive their policy electronically, making the experience convenient and private from start to finish. They can easily file claims online, too, through Lincoln i-Claim.

### Meeting new challenges with the right expertise

Our Group Benefits business has been at the forefront during the COVID-19 pandemic. Our employees in this business played an important role in helping customers and partners stay up to date on state and federal legislative changes. And of course, they serviced and managed claims for individuals who were directly impacted by COVID-19.

The unprecedented challenges of 2020 required new types of solutions as well. Group Benefits took immediate action in our clinical department to help customers by:

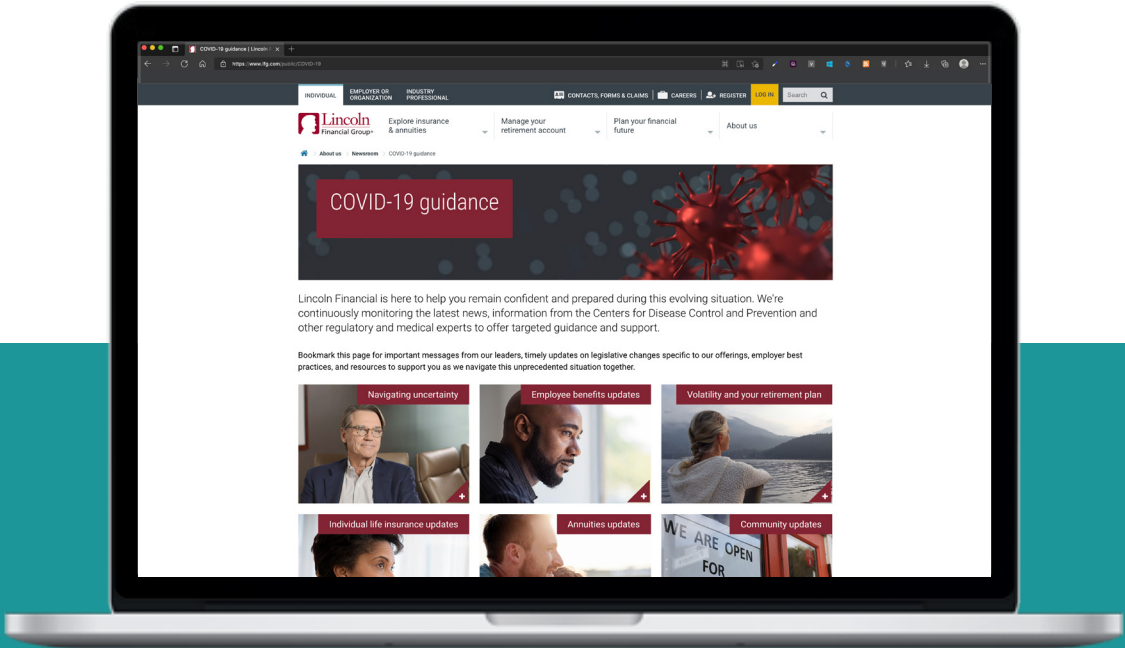
- **Developing a dedicated clinical team** of nurses, physicians and behavioral health consultants to specifically handle COVID-19 claims
  - Behavioral health experts helped us offer **specialized support** for the increased number of claimants dealing with mental health conditions
- **Monitoring claims trends related to COVID-19**, including the emerging mental health impact on claims
- **Sharing best practices and expert guidance** from our Chief Medical Officer and Scientific Advisor with our customers and partners



To support our customers and partners, we created a [dedicated COVID-19 resource hub](#) on our website. The site received more than 65,000 visits.

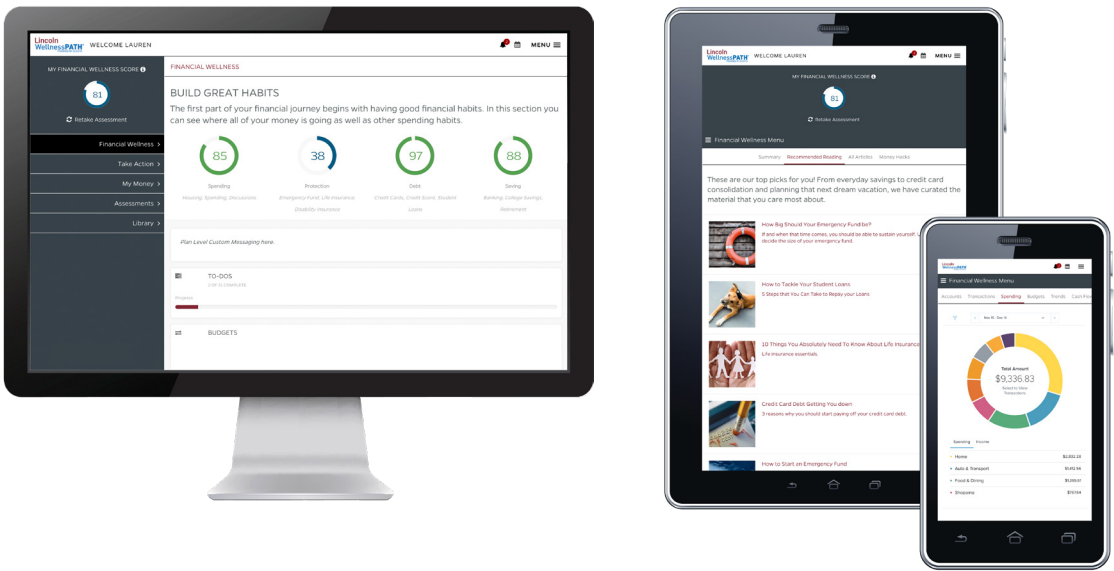
### Internal changes designed to serve our customers

In 2020, we made a strategic decision to align our Group Benefits and Retirement Plan Service business lines and form a new Workplace Solutions organization. The two business lines serve employers and their employees through a variety of products and services, such as retirement savings solutions, holistic financial wellness offerings and financial protection solutions. The decision to align these businesses will continue to drive customer-focused collaboration and innovation.



# Helping planners and retirees move forward with confidence

We are committed to helping Americans achieve the retirement they envision. We continue to make it easier for our customers to navigate benefits, increase contributions and track progress against their retirement goals.



The pandemic has raised interest in financial wellness tools, with more people seeking to understand their current financial state and plan for the future. This is why we created [Lincoln WellnessPATH®](#), a personalized, online financial wellness tool available to retirement plan participants and Group Benefits customers. Through the tool, participants and employees get valuable guidance to set financial goals and learn better money management. Ultimately, this tool helps them manage financial stress, safeguard their finances and plan for the future.

## We put the right tools into Americans' hands

We offer a [suite of online tools](#) to help consumers improve their ability to retire. These simple yet effective worksheets, calculators and other types of tools can help them boost their savings by showing that the small impact on paychecks today can have a big impact on eventual retirement income.

Retirement consultants, who pivoted from in-person interaction in 2020, also used our online scheduling tool and virtual meetings to continue providing personalized service.

## Insights that lead to new retirement and annuity products

Lincoln Financial's ability to deliver products and services that meet the needs of our customers and consumers is rooted in our deep understanding of their financial motivations. This understanding is based on our [ongoing market research](#).

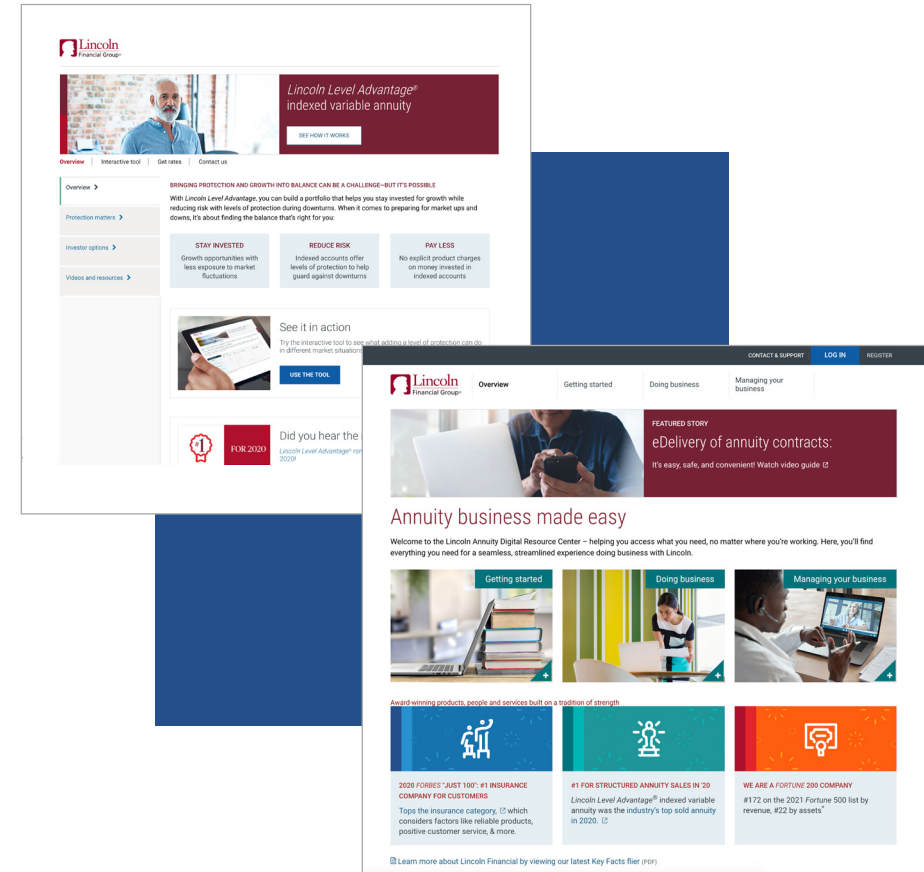
Lincoln Financial teams with CivicScience to produce the Consumer Retirement Index and related research insights. This study measures the level of confidence working-age Americans have in their retirement plans and how timely issues affect their confidence.

We went further to understand how the pandemic affected consumers' financial outlooks. We learned that nearly half of consumers (46%) feel less financially secure as a result of the global pandemic, and 22% now feel less willing to take on investment risk.\* For retirement-age clients, last year was more than a health crisis: it impacted their retirement plans and how they feel about it going forward.

Consumer insights like these combined with the new retirement legislation inspired us to launch [Lincoln PathBuilder<sup>SM</sup>](#) in-plan guaranteed income. It expands the opportunities for lifetime income in employer-sponsored retirement plans and offers Americans confidence that they will not outlive their savings.

Within Lincoln Annuities, these insights also guided the development across our broad portfolio of solutions that help consumers protect what they've worked hard to save, stay positioned for growth, and feel more confident about maintaining their lifestyle in retirement. We focused on the protection clients need and on providing easy-to-use digital capabilities:

- [Lincoln Level Advantage<sup>®</sup>](#) indexed variable annuity offered investors a way to stay invested with protection when they felt like they needed it the most.
- [Centralized e-capabilities resource center](#) provided a one-stop-shop for doing business with Lincoln Annuities.



\*Greenwald & Associates, "Guaranteed Lifetime Income Study: Mid-Year Update," 2020.

# Report scope

This report encompasses Lincoln Financial Group operations, practices and data corresponding to the calendar year 2020, unless otherwise noted. All environmental data represents the activity across 100% of Lincoln Financial operations for that period. All information and data are as of December 31, 2020, unless otherwise noted.

# Greenhouse gas calculations and assurance

Reported greenhouse gas (GHG) emissions were calculated in accordance with the Greenhouse Gas Protocol, the world’s most widely used greenhouse gas accounting standard, utilizing a financial control boundary. Lincoln Financial’s 2020 data for Scope 1, 2 and 3 (Category 8: Upstream Leased Assets) greenhouse gas emissions were assured by Trucost in accordance with AccountAbility’s AA1000 Assurance Standard (AA1000AS) 2008, with 2018 addendum, Type 2, Moderate Level.

Not a deposit
Not FDIC-insured
Not insured by any federal government agency
Not guaranteed by any bank or savings association
May go down in value

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