

Anti-Bribery and Anti-Corruption Policy

1. Overview and Scope

Lincoln Financial Group (Lincoln) is committed to doing business with integrity. We never offer, give, promise or receive anything of value to get or keep business or to improperly influence a business decision.

Preserve the trust that others have placed in our company—never bribe or let others bribe on our behalf. Keep in mind that the laws around bribery of government officials are especially strict. Make sure to follow our policies and never offer anything that could even give the appearance of something improper. Seek to preserve the trust that others have placed in our company.

This policy applies to all employees, officers, and directors of Lincoln and its affiliates (Lincoln Personnel).

2. Principles and Rules

2.1 Basic Rules

Lincoln prohibits all Lincoln Personnel from participating in bribery. Bribery is the offering, giving, promising, receiving, or soliciting of any item of value to influence the actions of another individual.

Bribes are not always cash. Anything of value can be used as a bribe. The following are some examples:

- Cash equivalents like gift cards;
- Expensive gifts or entertainment;
- Payment of travel expenses;
- Special favors to family or friends;
- Jobs or internships;
- Discounts unavailable to the public;

- Charitable or political contributions.¹

Lincoln also prohibits Lincoln Personnel from using intermediaries, such as agents, consultants, advisers, distributors, or any other business partners to engage in bribery on Lincoln's behalf.

Lincoln's prohibition on bribery does not distinguish between public officials and private persons: bribery is prohibited regardless of the nature, position, or role of the recipient.

Below is a non-exhaustive list of activities and interactions where particular care needs to be taken to comply with this policy.

2.2 Gifts and Entertainment

Exchanging gifts and entertainment can foster successful business relationships, but it can also create an actual or perceived conflict of interest or be seen as a form of bribery or corruption.

Lincoln Personnel must use good judgment and follow relevant Lincoln policies for givers and receivers. Make sure that anything you offer or accept is reasonable, legal, ethical, and does not lead anyone to believe you are making an unfair business decision.

Some types of gifts are inappropriate, and Lincoln Personnel should not accept them. These gifts include anything that creates an obligation in return, is given to win favors, is cash or a cash equivalent, or could be viewed as lavish or excessive under the circumstances.

If you are unsure whether exchanging a gift or offer of entertainment is appropriate, seek guidance from your manager.

See also:

- [Code of Conduct](#)
- [Conflicts of Interest Policy](#)

¹ See Lincoln's Political Contributions Policy, *available at* <http://one.lfg.com/ourcompany/governance/Pages/Political-Contribution-Policy.aspx>.

2.3 Sponsorships and Charitable Donations

Requests for sponsorship or charitable donations must be handled with caution. Sponsorships or donations may only be made if they are permitted by law, are of a reasonable value, are made in direct support of a legitimate business purpose, and are in accordance with this policy. They should not be given to obtain business or to influence another person's decision making.

See also:

- [Code of Conduct](#)

2.4 Public Officials

When it comes to bribery, Lincoln does not distinguish between bribes involving public officials and bribes involving employees of private sector organizations. However, public officials often are subject to rules and restrictions that do not apply to private sector personnel. Any relationship with a public official must adhere to the rules and regulations to which we and those officials are subject, and any benefit conveyed to a public official must follow applicable rules and regulations and be properly approved, documented, and accounted for.

2.5 Political Contributions

All political contributions made on Lincoln's behalf must comply with applicable laws and regulations.

The Lincoln Financial Group Political Action Committee (LFGPAC) contributes to federal candidates and committees. Contributions must be made in accordance with guidelines adopted by the LFGPAC Approval Committee and in accordance with Federal Election Commission regulations. The LFGPAC Approval Committee must consult with the Compliance Department before LFGPAC contributes to any state or local government candidate or official, including any state or local office holder who is also a federal candidate.

Lincoln may contribute corporate funds to trade association political action committees or in support of state or local candidates. The Head of the Government Relations group in the Legal Department will consult with the Compliance Department regarding any proposed contribution to confirm that the contribution does not violate applicable laws, such as pay-to-play restrictions.

Political contributions by certain Lincoln Financial employees could have an adverse effect on the business Lincoln Financial conducts with the government and may require that you "pre-clear" your personal, state or local political contributions with Enterprise Compliance. If you are unsure whether this policy applies to you, then speak to a manager.

See also:

- [Code of Conduct](#)
- [Political Activity Policy](#)
- [Political Contributions Policy](#)

2.6 Lobbying

Lincoln engages in public policy advocacy on issues that affect our business at the local, state, and federal levels. This is an important part of the exercise of our corporate responsibility. Lobbying should not be misused for any corrupt or illegal purposes or to improperly influence any decision. The Government Relations group in the Legal Department is responsible for the proper reporting and compliance with campaign finance and lobbying registration laws with respect to lobbying activities, including the oversight and reporting of retained legislative lobbyists and executive branch lobbyists.

See also:

- [Political Activity Policy](#)

2.7 Facilitation Payments

Lincoln prohibits all Lincoln Personnel from offering or authorizing the offer of “facilitation payments,” which are usually small, unofficial payments (sometimes referred to as “tips” or “grease payments”) to public officials to expedite the performance of routine government actions.

In contrast, expediting payments made to a government agency itself (not to an individual) to expedite the performance of routine, officially authorized government actions in accordance with an official and published price list are not facilitation payments and are permissible.

2.8 Third Parties

Under certain circumstances, Lincoln can be held liable for acts committed by third-party suppliers and vendors working on Lincoln’s behalf. Lincoln must conduct appropriate due diligence on any new supplier or vendor and select only those who are aligned with our values and expectations.

Appropriate due diligence is particularly critical if Lincoln seeks to hire an agent to interact with a foreign or domestic government. Lincoln Personnel must consult with the legal department before hiring an agent to interact with a government agency or public official.

Lincoln must purchase all goods and services in accordance with guidance from Procurement and in compliance with all other relevant Lincoln policies. These policies are designed to ensure that Lincoln receives appropriate goods and

services and that invoices are accurate and charged to the appropriate cost center. They also set out the contracting approval limits for Lincoln personnel.

See also:

- [Acquisition and Payment of Goods or Services Policy](#)
- [Code of Conduct](#)
- [Contract Approval and Signing Authority Policy](#)

2.9 New Business, Joint Ventures, Mergers, and Acquisitions

Business opportunities might involve Lincoln entering into joint venture, merger, or acquisition agreements with other companies. Before entering into such an arrangement, Lincoln must conduct appropriate due diligence to verify the partner's or the acquisition target's experience, capabilities, business and ethical reputation, to identify potential anti-bribery or anti-corruption risks and plan appropriate remediation, and to ensure that the business activities will comply with anti-bribery and anti-corruption laws.

2.10 Books and Records

Lincoln is committed to maintaining complete, accurate, and timely records and accounts to reflect all business transactions and to provide auditable records. It is Lincoln's policy to comply with applicable laws, regulations, and Company policies; maintain the integrity and reliability of financial statements; and prevent and detect fraud, including fraudulent financial reporting. Lincoln Personnel should always record transactions honestly, accurately, and completely and always report any activity that may be fraudulent. Lincoln maintains a system of internal controls designed to ensure that transactions are recorded properly and that our records reasonably and fairly reflect the transactions and dispositions of LFG assets.

See also:

- [Financial Controls Policy](#)
- [Code of Conduct](#)

3. Employee and Manager Responsibilities

Anyone who learns of a potential violation of this policy, a potential violation of the Code of Conduct, or any other potential misconduct must report it promptly to Employee Relations, Human Resources, the Legal Department, or by reporting it to the Ethics Hotline at 1-800-381-8482 or through its related website at [Ethics Hotline](#). Reports to the Ethics Hotline or through the website can be made anonymously.

Managers are expected to oversee their direct reports' understanding and compliance with this policy and anti-bribery and anti-corruption laws.

Breach of this policy can lead to disciplinary actions, including termination of employment.

4. More Information

Lincoln takes anti-bribery and anti-corruption seriously and has developed policies that complement and should be read in conjunction with this anti-bribery and anti-corruption policy. For more information, please refer to the following materials available on *One*:

- [Acquisition and Payment of Goods or Services Policy](#): This policy ensures proper approvals are in place before contracting with suppliers.
- [Anti-Money Laundering Policy](#): This policy states that Lincoln opposes money laundering and other financial activity that facilitates criminal conduct.
- [Cash Disbursement Policy](#): This policy describes internal controls and best practices to prevent fraudulent or duplicate payments, including appropriate authorization for transactions.
- [Code of Conduct](#): The Code of Conduct summarizes the legal, ethical, and moral standards with which Lincoln expects employees to comply.
- [Conflicts of Interest Policy](#): This policy describes Lincoln's expectation that directors, officers, employees, agents, and registered representatives will avoid situations that place their own interests ahead of Lincoln, its shareholders, and its customers.
- [Contract Approval and Signing Authority Policy](#): This policy ensures that contracts receive the appropriate approval and legal review.
- [Disbursement Authorization Approval Policy](#): This policy provides standardized disbursement authorization levels based on the amount and type of the payment transaction and the level of the Lincoln employee.
- [Financial Controls Policy](#): This policy describes Lincoln's approach to ensuring the integrity and reliability of financial statements and the prevention and detection of fraud, including fraudulent financial reporting.
- [Immediate Termination Policy](#): This policy describes the circumstances under which Lincoln may choose to terminate an employee immediately, including for acts of dishonesty and violations of Lincoln's conflict of interest policy.
- [Luxury Expenditures Policy](#): This policy states that all expenditures are subject to requirements regarding approval documentation, budget authorization, reporting requirements, and audit standards.

- [Political Activity Policy](#): This policy ensures that political activity on behalf of Lincoln is coordinated and properly reported in accordance with applicable law.
- [Political Contributions Policy](#): This policy describes restrictions Lincoln imposes on political contributions to minimize the possibility that Lincoln will be barred from working with government entities.
- [Travel and Expense Policy](#): This policy establishes specific requirements designed to ensure that travel and entertainment expenses are necessary, reasonable, documented, correctly accounted for, and approved.

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