Lincoln Announces $5.8 Billion GUL Reinsurance Transaction

July 30, 2026

Forward-Looking Statements – Cautionary Language

Certain statements made in this presentation and in other written or oral statements made by Lincoln or on Lincoln's behalf are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 ("PSLRA"). A forward-looking statement is a statement that is not a historical fact and, without limitation, includes any statement that may predict, forecast, indicate or imply future results, performance or achievements. Forward-looking statements may contain words like: "anticipate," "believe," "estimate," "expect," "project," "shall," "will" and other words or phrases with similar meaning in connection with a discussion of future operating or financial performance including the closing of the GUL reinsurance transaction and the timing thereof, and the expected impact of the transaction on our risk profile, RBC ratio and free cash flow. In particular, these include statements relating to future actions, trends in Lincoln's businesses, prospective services or products, future performance or financial results. Lincoln claims the protection afforded by the safe harbor for forward-looking statements provided by the PSLRA.

Forward-looking statements are subject to risks and uncertainties. Actual results could differ materially from those expressed in or implied by such forward-looking statements due to a variety of factors, including:

- Weak general economic and business conditions that may affect demand for our products, account balances, investment results, guaranteed benefit liabilities, premium levels and claims experience;
- Adverse global capital and credit market conditions that may affect our ability to raise capital, if necessary, and may cause us to realize impairments on investments and certain intangible assets, including goodwill and the valuation allowance against deferred tax assets, which may reduce future earnings and/or affect our financial condition and ability to raise additional capital or refinance existing debt as it matures;
- The inability of our subsidiaries to pay dividends to the holding company in sufficient amounts, which could harm the holding company's ability to meet its obligations;
- Legislative, regulatory or tax changes, both domestic and foreign, that affect: the cost of, or demand for, our subsidiaries' products; the required amount of reserves and/or surplus; our ability to conduct business; and our affiliate reinsurance arrangements;
- Changes in tax law or the interpretation of or application of existing tax laws that could impact our tax costs and the products that we sell;
- The impact of regulations adopted by the Securities and Exchange Commission ("SEC"), the Department of Labor or other federal or state regulators or self-regulatory organizations that could adversely affect our distribution model and sales of our products and result in additional disclosure and other requirements related to the sale and delivery of our products;
- The impact of existing and emerging rules and regulations relating to privacy, cybersecurity and artificial intelligence ("AI") that may lead to increased compliance costs, reputation risk and/or changes in business practices, and challenges with properly managing the use of AI that could result in reputational harm, competitive harm and legal liability;
- Continued scrutiny and evolving expectations and regulations regarding ESG matters that may adversely affect our reputation and our investment portfolio;
- Actions taken by reinsurers to raise rates on in-force business;
- Declines in or sustained low interest rates causing a reduction in investment income, the interest margins of our businesses and demand for our products;
- Increasing or sustained higher interest rates that may negatively affect our profitability, value of our investment portfolio and capital position and may cause policyholders to surrender annuity and life insurance policies, thereby causing realized investment losses;
- The initiation of legal or regulatory proceedings against us, and the outcome of any legal or regulatory proceedings, such as: adverse actions related to present or past business practices common in businesses in which we compete; adverse decisions in significant actions including, but not limited to, actions brought by federal and state authorities and class action cases; new decisions that result in changes in law; and unexpected trial court rulings;
- A decline or continued volatility in the equity markets causing a reduction in the sales of our subsidiaries' products; a reduction of asset-based fees that our subsidiaries charge on various investment and insurance products; and an increase in liabilities related to guaranteed benefits, including riders on certain of our annuity products and secondary guarantees on certain variable universal life insurance products;
- Ineffectiveness of our risk management policies and procedures, including our various hedging strategies; A deviation in actual experience regarding future policyholder behavior, mortality, morbidity, interest rates or equity market returns from the assumptions used in pricing our subsidiaries' products and in establishing related insurance reserves, which may reduce future earnings; Changes in accounting principles that may affect our consolidated financial statements;
- Lowering of one or more of our debt ratings issued by nationally recognized statistical rating organizations and the adverse effect such action may have on our ability to raise capital and on our liquidity and financial condition;
- Lowering of one or more of the insurer financial strength ratings of our insurance subsidiaries and the adverse effect such action may have on the premium writings, policy retention and profitability of our insurance subsidiaries and liquidity;
- Significant credit, accounting, fraud, corporate governance or other issues that may adversely affect the value of certain financial assets, as well as counterparties to which we are exposed to credit risk, requiring that we realize losses on financial assets;
- Interruption in or failure of the telecommunication, information technology or other operational systems of the company or the third parties on whom we rely or failure to safeguard the confidentiality or privacy of sensitive data on such systems, including from cyberattacks or other breaches in security of such systems;
- The effect of acquisitions and divestitures, including the inability to realize the anticipated benefits of acquisitions and dispositions of businesses and potential operating difficulties and unforeseen liabilities relating thereto, as well as the effect of restructurings, product withdrawals and other unusual items;
- The inability to realize or sustain the benefits we expect from, greater than expected investments in, and the potential impact of efforts related to, our strategic initiatives; The adequacy and collectability of reinsurance that we have obtained;
- Pandemics, acts of terrorism, war or other man-made and natural catastrophes that may adversely impact liabilities for policyholder claims and adversely affect our businesses and the cost and availability of reinsurance;
- Competitive conditions, including pricing pressures, new product offerings and the emergence of new competitors, that may affect the level of premiums and fees that our subsidiaries can charge for their products;
- The unknown effect on our subsidiaries' businesses resulting from evolving market preferences and the changing demographics of our client base; and
- The unanticipated loss of key management or wholesalers.

The risks and uncertainties included here are not exhaustive. Our most recent Form 10-K, as well as other reports that we file with the SEC, include additional factors that could affect our businesses and financial performance. Moreover, we operate in a rapidly changing and competitive environment. New risk factors emerge from time to time, and it is not possible for management to predict all such risk factors.

Further, it is not possible to assess the effect of all risk factors on our businesses or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. In addition, Lincoln disclaims any obligation to correct or update any forward-looking statements to reflect events or circumstances that occur after the date of this presentation.

The reporting of Risk-Based Capital ("RBC") measures is not intended for the purpose of ranking any insurance company or for use in connection with any marketing, advertising or promotional activities.

GUL Reinsurance Transaction[1] – Key Takeaways

Advances our strategy to shift our liability mix and grow sustainable free cash flow while improving risk-adjusted returns on capital and reducing earnings volatility.

- ✓ Advances our strategy to shift our liability mix — combined with Fortitude Re transaction, approximately 60% of total in-force GUL statutory reserves will be reinsured.

- ✓ Will strengthen ongoing free cash flow[2] and create shareholder value — expected to result in approximately $30–$40 million increase in annual subsidiary remittances over the medium term.

- ✓ Core business remains well-diversified and positioned for profitable growth — pro forma RBC ratio will remain well above the 420% buffer target.

[1] Announced July 30, 2026. [2] Free cash flow is holding company net cash provided by (used in) operating activities less preferred stock dividends, capital contributions to subsidiaries and certain one-time items, plus the net change in excess statutory capital in our life insurance subsidiaries, after meeting targeted levels of statutory capital and holding company obligations, excluding the impact of certain strategic transactions and certain other one-time items.

GUL Reinsurance Transaction Overview

Transaction overview	• Cedes approximately $5.8 billion of in-force GUL statutory reserves to a subsidiary of Talcott Financial Group. • Also reinsures $500 million of funding agreement business. • Structured as coinsurance (funds withheld) and modified coinsurance; Lincoln retains policy administration.
Strategic rationale	• Approximately 37% of Lincoln's remaining in-force guaranteed universal life block is being ceded. • Further reduces Lincoln's exposure to long-term mortality, lapse, and interest rate risk on a legacy, capital-intensive block. • Advances Lincoln's strategy to shift our liability mix and grow sustainable free cash flow.
Expected financial impacts	• Statutory capital impacts of approximately $200 million, representing approximately 10 points of RBC. • Capital impact funded by Bain Capital proceeds; RBC ratio remains well above 420% buffer target. • Approximately $30–$40 million increase in annual subsidiary remittances over the medium term.
Approvals & timing	• Subject to customary closing conditions, including regulatory approvals. • Expected to close in the fourth quarter of 2026, with an effective date of October 1, 2026.

Executing On Our Strategic Priorities

Long-term value creation built upon a strong capital foundation, an optimized operating model, and a strategy for profitable growth

Foundational capital

Build and maintain capital required to ensure enterprise stability across market cycles and to support investment for profitable growth and reduce sensitivity to equity markets

Optimized operating model

Advance a scalable framework for managing the enterprise's resources and activities that maximizes cost efficiency, expands asset sourcing, and optimizes capital allocation

Profitable growth

Strategic shift toward businesses and products with more stable cash flows, focusing on maximizing risk-adjusted returns while decreasing sensitivity to equity markets

Building a track record of strategic execution:

Repositioned Business Unit Strategies
Fortitude Re Transaction
2023

Sale of LFN to Osaic
Launch of Bermuda Affiliate
Company-wide Expense Actions
2024

Execution of Affiliated Bermuda Flow Reinsurance Agreement
P-Caps Issuance
Exited External Flow Reinsurance
Initial FABN Issuance
Strategic Partnership with Bain Capital
Captive Consolidation
2025

Talcott Transaction
Preferred Prefund and HoldCo capital build
2026