

# DONNELLEY FINANCIAL SOLUTIONS

## Company Policy

Title: Political Activities Policy

Policy No.:

Department: Legal

Supersedes:

Date: April 11, 2018

Authorization: Corporate Responsibility & Governance Committee of the Board of Directors

### **Purpose:**

Many employees have an interest in the governmental process as it affects issues of personal or professional concerns. Donnelley Financial Solutions encourages such interest -- knowledge of and participation in the political process is vital to success of the governments of the world. However, it is very important that any participation in the governmental process be undertaken as an individual -- not as a representative of Donnelley Financial Solutions (the "Company"). The General Counsel represents all Company businesses in governmental processes and serves as the only authorized representative of the Company in the public policy arena.

There are numerous laws that regulate the Company's lobbying, political outreach, and bestowing of gifts and entertainment to public officials and entities in local jurisdictions, the states, in Congress and the federal executive branch, and abroad. Failure to comply with these laws, even if that failure is inadvertent and caused by lack of awareness of the law, could result in a legal violation, civil and/or criminal penalty, and reputational risk for the Company.

The purpose of this policy is to ensure that the Company and its subsidiaries and employees comply with the laws governing political activity. This policy represents the mandatory minimum requirements to be followed by Company employees. Individual businesses may have policies that are more restrictive while assuming responsibility to manage the compliance to their stricter policies. Businesses outside of the U.S. may need additional policies based on their own country's legal and regulatory requirements. Any participation in governmental and/or political processes, whether in the United States or abroad, is subject to strict internal approval processes and procedures as well as the Company's Principles of Ethical Business Conduct, regardless of the amount of money at issue or the country of origin. All requests shall be reviewed by the Corporate Legal Department and approved by management in advance.

Any overt, visible, partisan, political activity that could cause someone to believe that an individual's actions reflect the views or position of the Company require the prior approval of the General Counsel.

**Please note:** The policies online are the most up to date. If you have a printed copy, the HR Policy is not guaranteed to be current. Please refer to the intranet "insideDFS" or contact your HR department for current policy information.

## **Applicability:**

This policy applies to all employees of Donnelley Financial Solutions and its subsidiaries and affiliates (the "Company" or "DFS") and is meant to govern the employees' political activities and other interactions between those employees and federal, state, and local government officials and candidates. Some examples of the types of employees who could raise issues under this Policy include, but are not limited to, those who: personally volunteer to engage in political activity; are involved in doing business with government entities; or engage in community relations activity.

## **Policy:**

### **I. Political Contributions**

#### **A. Definitions**

- 1. Political Contribution:** This term means anything of value that is provided for the benefit of a Candidate Campaign, Political Party, Political Committee, any other 527 Political Organization, or a Ballot Measure Committee. Political Contributions can be monetary (e.g., corporate contribution checks, purchase of tickets for a campaign reception or dinner, or a loan) as well as "in-kind" (e.g., the use of corporate facilities or personnel for a fundraiser, campaigning, or payment for services, and/or purchasing of materials or services). Contributions are covered whether made to directly benefit one of the entities above or to some other person or entity (a) for the purpose of ultimately benefiting such entity; (b) for the payment or retirement of debt incurred by a Candidate Campaign; or (c) for transition or inaugural expenses incurred by a successful candidate.
- 2. Candidate Campaign:** This term means any campaign or committee established by a candidate for the furtherance of his or her own election to federal, state, or local governmental office, and registered and regulated under the election laws of the federal, state, or local government.
- 3. Political Party:** This term means any committee established by a political party (e.g., the Democratic Party, the Republican Party, or third parties) at the national level (e.g., DNC, RNC, NRSC, DSCC, NRCC, and DCCC) or at the state or local level, and registered and regulated under the election laws of the federal, state, or local government.
- 4. Political Committee:** Any committee established independent of a political party (and not a Campaign Committee) and registered and regulated under the election laws of the federal, state, or local government (e.g., a political action committee or PAC).
- 5. 527 Political Organization:** Entities that are not registered or regulated under federal, state, or local election laws but are otherwise exempt from federal income taxes as a political organization under Section 527 of the Internal Revenue Code.

**Please note:** The policies online are the most up to date. If you have a printed copy, the HR Policy is not guaranteed to be current. Please refer to the intranet "insideDFS" or contact your HR department for current policy information.

6. **Ballot Measure Committees:** Committees established solely for the purpose of promoting or opposing the election of a state or local ballot measure or initiative. These committees are usually non-profits under Section 501(c)(4) of the Internal Revenue Code but are registered and regulated under state or local election laws.

## **B. DFS' Corporate Contributions; and Soliciting Fellow Employees and Vendors**

Federal and many state laws prohibit the Company from making corporate contributions. Under most laws, the definition of "contribution" is very broad and encompasses anything of value provided for the purpose of influencing an election, whether it increases the Company's overhead or not. Violating these prohibitions can result in civil or criminal penalties depending on the law and the circumstances surrounding the violation. To ensure compliance with these laws, we have instituted the pre-clearance requirements described below.

### **1. Pre-clearance Requirements:**

#### **a. Corporate Political Contributions**

Employees may not make on behalf of the company or cause the Company to make Political Contributions without obtaining prior approval from the General Counsel.

Likewise, employees may not make on behalf of the company or cause Company funds or resources to be used to make or disseminate public communications (such as television, radio, and newspaper advertisements, mailings, signs, fliers, emails, and other communications over the Internet) that identify candidates, parties, or ballot measures, without prior approval.

#### **b. Volunteering for Campaign Activities**

You have the right, and are encouraged, to voluntarily participate in the political process. Please note, however, that there may be special restrictions on personal Political Contributions and solicitation activity of employees in certain states. Thus, you should refer to this policy prior to making or soliciting Political Contributions.

Moreover, to ensure that your volunteer campaign activity (such as raising funds for, or other activity benefiting, a Candidate Campaign or other entity defined above) does not inadvertently cause the Company to make an impermissible corporate contribution, you must obtain prior approval from the General Counsel for any of the following:

- ✓ Causing any corporate funds or assets (such as corporate facilities or personnel) to be used in connection with your volunteer campaign activity.
- ✓ Working on your volunteer campaign activity during working hours.
- ✓ Engaging in the volunteer campaign activity as a representative of the Company rather than in your individual/personal capacity. This

**Please note:** The policies online are the most up to date. If you have a printed copy, the HR Policy is not guaranteed to be current. Please refer to the intranet "insideDFS" or contact your HR department for current policy information.

includes using your corporate title or any other overt, visible, and partisan political activity that could cause someone to believe that your actions reflect the views or position of the Company.

**c. Soliciting Other Company Employees or Vendors for Political Contributions**

Employees may not solicit other Company employees or Company vendors without obtaining prior approval from the General Counsel.

**d. Company Contributions to 501(c)(4) or 501(c)(6) Organizations**

The Company must not make contributions to 501(c)(4) or 501(c)(6) organizations without obtaining prior approval of the Chief Compliance Officer. All such contributions, if approved, must be directed for use in the recipient's sole discretion.

**2. Prohibition on Reimbursement of Contributions**

Under no circumstance may the Company reimburse a person for a Political Contribution.

**3. Bundling Political Contributions**

The federal, and some state, laws prohibit corporate employees from "bundling" the Political Contributions of others – physically collecting and forwarding Political Contribution checks of others or otherwise providing a means of transmitting such checks (e.g. providing envelopes or postage for a contributor to send in his or her Political Contribution check). Thus, an employee must obtain prior approval from the General Counsel before bundling any Political Contributions.

**4. No Coercion**

An employee's personal political participation is strictly voluntary. Under no circumstances shall the Company or any of its employees use coercion to urge any individual to engage in fundraising or political activities, or to make a political contribution. This includes, but is not limited to, the threat of a detrimental job action, the threat of any other financial reprisal, or the threat of force.

**C. Personal Political Contributions by Vice Presidents and Above**

If you are a U.S. citizen or permanent resident alien, you have the right to make personal Political Contributions from personal funds. Federal and most state laws have dollar limits on such contributions. Thus, except in the special state and local jurisdictions described below, you are free to make personal contributions within applicable limits.

**Please note:** The policies online are the most up to date. If you have a printed copy, the HR Policy is not guaranteed to be current. Please refer to the intranet "insideDFS" or contact your HR department for current policy information.

Certain states and localities have special laws that prohibit companies, such as Donnelley Financial Solutions, from having government contracts (such as for financial services or loans) if a covered employee (and in some cases even certain family members such as spouses and children of the employee) makes or solicits Political Contributions to a Candidate Campaign or other defined entity in that jurisdiction. A violation of these rules, even an inadvertent one, can jeopardize the Company's ability to contract with state and local agencies, and can lead to other legal liability.

Thus, you must obtain approval from the General Counsel prior to making or soliciting, Political Contributions at the state or local level (or to a state or local official running for federal office). Please note that where indicated, you must also obtain prior approval for Political Contributions made, or solicited, by your family members.

## II. Employees Seeking Elected or Appointed Government Office

Employees are not necessarily prohibited from running for, being appointed to, or holding federal, state, or local government office or from serving on public bodies created by federal, state, or local officials. However, issues related to inadvertently causing a Company corporate Political Contribution and soliciting fellow employees (as described above) may arise if one is running for an elective office. Moreover, federal, state, and local conflict of interest laws may prohibit or restrict the extent to which you may hold a public office (elected or appointed) while being employed by the Company, or prohibit other parts of the Company from doing business with the governmental entity in question.

Thus, written approval must be obtained from the General Counsel prior to seeking election, or being appointed to, any federal, state, or local government office.

## III. Lobbying

### A. Definitions

The federal government, and each state and locality, separately regulate the practice of lobbying. For purposes of this policy, the following definitions shall apply:

1. **Legislative Lobbying:** This term means any oral or written communication with a government official or employees for the purpose of influencing federal, state, or local legislation (e.g., contacting a state legislator or staff member in an attempt to pass or introduce new or revised tax legislation, legislation to appropriate funds for, or implement, a state project, or any other legislation or resolution by the legislature).
2. **Regulatory Lobbying:** This term means any oral or written communication with a government official or employee for the purpose of influencing a formal rulemaking or ratemaking by a federal, state, or local executive branch agency (e.g., contacting the state tax commission to change a tax rule or the insurance commission to influence an insurance ratemaking).

**Please note:** The policies online are the most up to date. If you have a printed copy, the HR Policy is not guaranteed to be current. Please refer to the intranet "insideDFS" or contact your HR department for current policy information.

3. **Procurement and Other Official Decision Lobbying:** This term means any oral or written communication with a government official or employee for the purpose of influencing (1) a decision on the award or terms of a federal, state, or local Government Contract; or (2) any other official decision of a governmental body. This term does not include adjudicatory proceedings or responses to Requests for Information, Requests for Proposals or similar formal requests from the government in connection with a product or service offered by the company.
4. **Government Contract:** This term means any contract (such as for goods or services) or other business or financial arrangement with a federal, state, or local government agency, commission, board, authority, public fund, or any other governmental or quasi-governmental entity.
5. **Grassroots Lobbying:** This term means any communication with the public or a segment of the public encouraging them to contact their government representative on a federal, state, or local legislation or other government decision.

#### A. **Pre-Clearance Process for Lobbying Activities**

To the extent that a Company employee, or a retained outside consultant, engages in Legislative, Regulatory, Grassroots, or Procurement and Other Official Decision Lobbying, the employee/consultant as well as the Company may have to register and report as lobbyists depending on the applicable lobbying law. Moreover, special restrictions on making Political Contributions and providing gifts and entertainment to public officials may also apply to registered lobbyists. Thus, we have established the following pre-clearance requirements.

##### 1. **Lobbying by Company Employees**

- a. **Legislative or Regulatory Lobbying:** Employees must obtain prior approval from the General Counsel prior to engaging in Legislative or Regulatory Lobbying.
- b. **Procurement and Other Official Decision Lobbying:** The federal government and certain states have lobby registration and reporting laws that cover Procurement and Other Official Decision Lobbying. Moreover, many local laws have similarly expansive lobbying laws. To ensure that the Company is in compliance with these laws, you must obtain approval from the General Counsel prior to engaging in Procurement and Other Official Decision Lobbying whether at the federal, state, or local (e.g., city or county) level.

##### 2. **Lobbying by Outside Consultants**

- a. **Legislative or Regulatory Lobbying:** You must obtain prior approval from the General Counsel prior to retaining any outside consultant to engage in Legislative or Regulatory Lobbying.
- b. **Procurement and Other Official Decision Lobbying:** The federal government and several states have lobby registration and reporting laws that

**Please note:** The policies online are the most up to date. If you have a printed copy, the HR Policy is not guaranteed to be current. Please refer to the intranet "insideDFS" or contact your HR department for current policy information.

cover Procurement and Other Official Decision Lobbying. Moreover, many local laws have similarly expansive lobbying laws.

To ensure that the Company is in compliance with these laws, you must obtain approval from the General Counsel prior to retaining an outside consultant to engage in Procurement and Other Official Decision Lobbying at the federal, state, or local (e.g., city or county) level.

#### **B. Industry and Trade Groups**

The Company is a member of numerous industry and trade groups. Such organizations take a wide variety of positions on a number of matters, not all of which are supported by the Company. Although these are not primarily political organizations, a portion of the dues that the Company and other participants pay could be part of the funds that the organizations use, in their discretion, to fund political activities.

Except as specifically permitted by the General Counsel, the Company may not belong to any industry or trade group that has annual dues in excess of \$50,000. No dues payment shall be earmarked for any particular activity without the prior approval of the General Counsel.

### **IV. Gifts to and Entertainment of a Public Official**

#### **A. Definitions**

As with the lobbying laws, the federal government and each state and locality separately regulates the provision of gifts to government officials and employees. For purposes of this policy, the following definitions will apply:

1. **Gift:** This term means anything of value that personally benefits an individual (such as meal, entertainment, tickets to sporting or theatrical events, golf, travel, lodging, and payment for services). This does not include Political Contributions.
2. **Public Official:** This term means an elected or appointed official, or any other official or employee, of any foreign, federal, state, or local legislature, executive branch agency, or other government agency, commission, board, authority, public fund, or any other governmental or quasi-governmental entity. It also includes candidates for elected office, and individuals who have been elected to office but have not yet been sworn in.

#### **B. Pre-clearance Process**

The federal government, each state, and many local jurisdictions have laws that restrict the ability of the Company and its employees to give Gifts to Public Officials, and in some cases to their spouse or children. These laws range from absolutely prohibiting such Gifts to permitting them as long as there is no intent to influence a specific official decision with the Gift.

To ensure the Company is in compliance with these laws, you must obtain approval from the General Counsel prior to providing any Gift to a Public Official, or to his or her spouse or child.

**Please note:** The policies online are the most up to date. If you have a printed copy, the HR Policy is not guaranteed to be current. Please refer to the intranet "insideDFS" or contact your HR department for current policy information.

## V. Pre-clearance of Certain Events and Expenditures (Charitable Contributions, Events Honoring a Federal Official, etc.)

### A. Definitions

1. **Covered Federal Official:** For purposes of this section, the term "Covered Federal Official" includes: (i) Members and staff of Congress and (ii) high-level officials and employees of the federal Executive Branch as follows: (a) the President and Vice President, (b) officials and employees of the Executive Office of the President, (c) officials in positions at Executive Levels I-V, (d) Schedule C employees, and (e) members of the uniformed services at pay grade O-7 and above.

### B. Pre-clearance

Under federal lobbying law, entities that employ or retain lobbyists such as the Company must track and disclose certain company contributions (direct or in-kind) and expenditures, regardless of whether such contributions or expenditures are made or arranged by lobbyists or by non-lobbyist employees. Thus, you must obtain approval from the General Counsel prior to offering or providing company funds or resources for any of the following:

- (1) any event held to honor or recognize a Covered Federal Official;
- (2) a meeting, conference, or similar event held by, or in the name of, one or more Covered Federal Officials;
- (3) a contribution or disbursement to any entity named for or made in recognition of a Member, officer, or employee of Congress;
- (4) a contribution or disbursement to an entity that is designated, established, financed, maintained, or controlled by, a Covered Federal Official;
- (5) a contribution or disbursement to a Presidential Inaugural Committee; or
- (6) a contribution or disbursement to a Presidential Library Foundation.

## VI. Oversight

The General Counsel will report annually to the Governance, Responsibility and Technology Committee of the Board of Directors regarding the Company's compliance with this Policy.

## VII. Disclosure

The following shall be disclosed on a timely basis on the Company's external website:

- ✓ This Policy, as it may be amended from time to time;
- ✓ The Company's Political Contributions to Candidate Campaigns, Political Parties Political Committees, and Ballot Measure Committees made during the preceding twelve months, listing for each contribution, the recipient or entity's name, state and party affiliation as well as amount and date of contribution;

**Please note:** The policies online are the most up to date. If you have a printed copy, the HR Policy is not guaranteed to be current. Please refer to the intranet "insideDFS" or contact your HR department for current policy information.



- ✓ The Company's Political Contributions made during the preceding twelve months to any organization in the United States required to report their contributions and expenditures to the Internal Revenue Service under Internal Revenue Code Section 527 totaling \$50,000 or more;
- ✓ An annual report, beginning with the fiscal year ended December 31, 2016, of those industry or trade groups in which the Company is a member and pays annual dues of \$50,000 or more and the amount of dues that were reported to the Company as being used for lobbying expenditures or political contributions by such industry or trade groups that, if made directly by the Company, would not be deductible under Internal Revenue Code Section 162(e)(1)

### **VIII. Amendments to this Policy**

Amendments to this Policy must be approved by the Board of Directors, or the Corporate Responsibility & Governance Committee acting on its behalf.

### **References:**

1. Principles of Ethical Business Conduct

**Please note:** The policies online are the most up to date. If you have a printed copy, the HR Policy is not guaranteed to be current. Please refer to the intranet "insideDFS" or contact your HR department for current policy information.



**2019 Direct Corporate Political Contributions**

<i>Name of Recipient</i>	<i>Amount</i>
None	



**2019 Political Contributions to 527 Organizations**

<i>Name of Recipient</i>	<i>Amount</i>
None	



**Lobbying Portion of 2019 Industry & Trade Group Dues**

<b>Name of Recipient<sup>(1)</sup></b>	<b>Lobbying Portion of Dues/Payments</b>
Data Coalition	\$ 10,000

(1) Includes industry or trade groups (i) in which Donnelley Financial Solutions is a member and paid annual dues of \$50,000 or more in 2019 and (ii) which notified Donnelley Financial Solutions of the portion used by that organization for expenditures or contributions that if made directly by Donnelley Financial Solutions would not be deductible under section 162(e)(1) of the Internal Revenue Code.