Employee Policy

This policy seeks to educate employees on political activity as it pertains to employment with Best Buy as a U.S. domiciled company. Although comprehensive in scope, the policy is intended to be an overview and does not address every instance where political implications may impact an employee’s job. For questions related to this policy, employees should contact Government Relations.
BEST BUY POLITICAL ACTIVITY & GOVERNMENT RELATIONS POLICY

Scope & Purpose of the Policy
Best Buy encourages employees to engage in the political process, both personally and professionally in accordance with the law and this policy. U.S. federal and state laws regulate certain political activities of U.S-domiciled corporations and its employees and certain laws compel disclosure pertaining to engagement with government entities, officials, candidates, and committees. 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 to the Company. To that end, the purpose of this policy is to clarify the legal and ethical obligations associated with political activity as it relates to your employment with Best Buy. For purposes of this policy, the term “government official” applies to any 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.

Introduction
This policy applies to all employees and contractors of Best Buy and its U.S. affiliates, regardless of whether they are acting alone, in conjunction with their department, or as part of a Best Buy Employee Business Network. While participation in politics is a personal choice, U.S. federal, state and local laws define the parameters of permissible activity. The Best Buy Government Relations Department represents all Best Buy entities in governmental processes and serves as the only authorized representatives of Best Buy in the public policy arena. This policy seeks to educate employees on the range of permissible activity as well as conduct that is strictly prohibited or otherwise requires pre-approval. It represents the mandatory minimum requirements to be followed by Best Buy employees and contractors and addresses the following topics:

- Lobbying
- Grassroots & Employee Advocacy Requirements
- Political Campaign Volunteering & Personal Contributions
- Voting
- Conducting Business with Government Entities
- Gifts, Gratuities and Payments to Public Officials
- Corporate Funding in Support of Candidates & Issues
- Trade Organizations
- Employee Political Forum (PAC)
- Public Policy Priorities
Please also refer to the following resources and policies located on ETK:

- Code of Business Ethics
- Corporate Responsibility Report
- Solicitation & Distribution Policy

For guidance on international government interactions, please see the Best Buy Anti-Corruption Policy.

**Lobbying**

Lobbying involves making contact with government officials in an attempt to influence legislation or regulatory activity and in some cases procurement activity at the federal, state or local level. Federal law requires companies to register and report lobbying activity in certain instances. Best Buy files lobbying reports, copies of which may be viewed at [http://lobbyingdisclosure.house.gov](http://lobbyingdisclosure.house.gov). States and local governments may also have their own lobbying, registration and reporting requirements. Examples of lobbying activities can include: attempting to influence legislation, formal rulemaking or ratemaking, influencing the decision on the award or terms of a government contract, and grassroots lobbying.

**As a Best Buy employee:**

* Employees of Government Relations (and other employees pre-authorized by Government Relations) are the only employees that may engage in lobbying. In general, employees should not be engaging in lobbying activity on behalf of Best Buy unless done in conjunction with the Government Relations Department and with pre-approval from the Vice President of Government Relations.
* If employees believe their job responsibilities require interaction with government officials, such employees are required to seek pre-approval from the Vice President of Government Relations.
* Employees may not invite candidates or government officials to a Best Buy facility without prior approval from the Vice President of Government Relations.
* Unless part of an approved grassroots lobbying effort, employees must avoid communicating or acting in a manner that could mislead others into believing such employees’ personal views are those of the company.
* Employees must obtain prior approval from Government Relations prior to retaining any outside consultant to engage in lobbying activities.

**Grassroots & Employee Advocacy Requirements**

Best Buy may engage in “Grassroots” lobbying activity by communicating with employees or a segment of the public for purposes of influencing legislation or a rulemaking. Government Relations is responsible for advocacy efforts concerning industry or public policy issues of interest to Best Buy.

Under the direction of Government Relations, Best Buy or one of its subsidiaries may request that employees contact state or federal legislators regarding an issue of critical importance to the business. Such requests will generally include background information about the issue, its importance to Best Buy and a suggested message for employees to convey to their legislator. If applicable, Government Relations may also share information on relevant state or local lobbying laws as prepared by Best Buy legal counsel.

**As a Best Buy employee:**

* If requested by Best Buy to participate in grassroots initiatives, your participation is encouraged but is never required as a condition of employment.
*No employee may engage in grassroots lobbying activities on behalf of Best Buy without prior approval from the Vice President of Government Relations.
*From time to time, Best Buy (as represented by senior management and Government Relations) may organize events for the purpose of educating employees or supporting community initiatives related to government. Such events must be approved by the Vice President of Government Relations.
*See [www.BLUEgrassrootsnetwork.com](http://www.BLUEgrassrootsnetwork.com) for additional information.

**Political Activity & Government Relations Policy**

**Political Campaign Volunteering & Personal Political Contributions**
When a Best Buy employee participates in a political campaign as a candidate, volunteer, financial sponsor or otherwise the employee is participating as a private citizen and not as a representative of Best Buy. Employees providing financial support to a political candidate or issue are urged to familiarize themselves with state laws and contribution limitations. In some states, certain employees may be required to disclose their personal contributions. Affected employees may include members of Best Buy Board of Directors; Executive Officers; and employees contracting with government officials. Immediate family members of affected employees may also be impacted by these laws. State and federal laws require that all political contributions – whether financial (e.g., in the form of a corporate check or a purchase of tickets to a political fundraiser) or in-kind (e.g., the use of company personnel or facilities or donation of product or services) – are reported to proper election authorities and public disclosure is often required. In some instances such contributions are illegal. All donations – including products or services to political entities require close coordination with BBY Government Relations and must be discussed with Vice President of Government Relations prior to being made.

**As a Best Buy employee:**
*While engaging in personal political activities, Best Buy employees must do so as an individual and may not hold themselves out as representing Best Buy, or in a manner which could be perceived as representing Best Buy. Any overt, visible, and partisan political activity (including use of corporate title) that would cause someone to believe that an employee’s actions reflect the views or positions of Best Buy requires pre-approval by Government Relations.
*Employees may not perform campaign activities on company time and are prohibited from using company property or resources (e.g. computers, e-mail, phones) for such activities.
*If your store or location is approached about a contribution (including donations of equipment or other resources) to a political campaign or organization, please contact the Government Relations team prior to making any commitment.
*Best Buy shall not directly or indirectly reimburse or otherwise compensate any person for his or her personal political contributions (see also Best Buy Employee Political Forum (PAC), below).
*See also the Best Buy policy on non-solicitation entitled [Solicitation and Distribution Policy](#).

**Voting**
Best Buy promotes the importance of voting through its “Turn up the Vote” initiative and encourages all employees to vote on Election Day.

**As a Best Buy Employee:**
*Employees can find information about voting on [www.bluegrassrootsnetwork.com](http://www.bluegrassrootsnetwork.com) or by contacting their local government offices.
*Each employee should talk with his or her manager about Election Day plans to minimize disruption to schedules at home and at work.
Conducting Business with Government Entities
In an effort to prevent bribery and corruption, both federal and state laws regulate the manner in which companies may conduct business with government entities. Some states and localities have enacted so-called “pay-to-play” laws, which may require Best Buy to report certain information, including personal political contributions of covered employees and their families, or limit the scope of business transactions with governmental entities if these covered individuals make or solicit political contributions to a candidate campaign in that jurisdiction. To ensure compliance with applicable laws, it is imperative that employees understand the instances where personal contributions may impact their business activities and trigger compliance obligations for Best Buy.

As a Best Buy employee:
* Employees may not make a political contribution to obtain or retain business or to obtain any other improper advantage.
* Prior to making, or soliciting, political contributions at the state or local level (or to a state or local official running for federal office), employees should contact the Legal Department for additional guidance on pay-to-play laws specific to their business activities and to report applicable activity.

Gifts, Gratuities and Payments to Public Officials
In connection with Best Buy Code of Business Ethics, its Anti-Corruption Policy, and in accordance with applicable federal, state, and local laws, employees are strictly prohibited from giving gifts, gratuities or anything of value to influence a government official or to advance a particular business. This prohibition extends to anything that personally benefits the individual to whom it is given, including meals, entertainment, travel, lodging, and any other items of value to the recipient. In no event should any employee provide any such items to a government official (federal, state or local public officials, and in some cases their spouse or children), without the prior approval of Government Relations and the Legal Department. Employees must strictly comply with these policies to ensure their conduct complies with legal requirements and avoids the appearance of impropriety.

As a Best Buy employee:
* Due to sensitive and complex nature of these prohibitions, employees should consult Government Relations for advice prior to interacting with government officials, their spouses, or children in order to avoid inadvertent violations of company policy and applicable law.

Corporate Funding in Support of Candidates and Issues
As allowed by law, Best Buy may provide corporate funding to candidates and/or issue campaigns that align with the company’s business objectives and public policy goals.

When deciding whether to support a particular candidate or campaign, the company manages the process as follows:

Disclosure and Corporate Governance
Best Buy discloses corporate funds in compliance with applicable laws and discloses such corporate expenditures via its Political Activity & Public Policy Report each year. This information is reviewed annually by the Nominating, Corporate Governance and Public Policy Committee of the Best Buy Board of Directors.

The Political Contributions Steering Committee, comprised of five senior executives – including a representative from the Best Buy Legal Department, a representative of Best Buy Retail and
three other leaders, meets quarterly, or as needed, to review and approve corporate funding for contributions (over $5,000) pertaining to:

- Candidates, political parties or political organizations;
- Ballot campaign initiatives;
- Independent expenditures;
- Any electioneering communications on behalf of federal, state or local candidate.

**Selection Criteria:**
The Political Contribution Steering Committee will evaluate the following criteria when considering potential recipients of corporate funds:

- Business impact – including the interests of the company, employees, shareholders and customers
- Public Policy goals – including the recipient’s ability to positively impact one or more of the Best Buy policy priorities
- Alignment with Best Buy core values

**As a Best Buy employee:**
*Government Relations works to educate employees on Best Buy political activity and policy through on-line learnings, group meetings, communications and individual conversations.  
*Feedback from employees is encouraged.  
*Employees who would like to learn more about Best Buy political engagement should contact Government Relations.  
*Employees may not cause Best Buy to make political contributions—which include monetary contributions from company funds, use of corporate personnel or facilities, and donations of equipment or other resources—without obtaining prior approval from Government Relations and Legal.

For more information, please see *Best Buy Political Activity & Public Policy Report*.

**Trade Organizations**
Best Buy belongs to several business and trade organizations which support and lobby on behalf of various public policy initiatives. Best Buy Government Relations monitors the use of dues or payments to trade associations and other organizations to ensure consistency with the company’s stated policies, practice, values and long-term interests. For more information on Best Buy memberships in trade organizations, please see *Best Buy Political Activity & Public Policy Report*.

**As a Best Buy employee:**
*Employees should notify Government Relations if a business or retail team is considering joining a trade organization or association that engages in lobbying activity.

**Best Buy Employee Political Forum (PAC)**
The political action committee (PAC) is Best Buy’s federally-registered non-partisan political action committee governed by the Federal Elections Campaign Act. The PAC allows eligible employees to pool their personal funds on a voluntary basis with other employees to help elect candidates to Congress who appreciate and understand the issues important to Best Buy and the retail industry.
The PAC is governed by a Board composed of a diverse group of Best Buy employees that are members of the Best Buy PAC. The PAC Board has term limits on board members to allow additional opportunities for PAC members to participate in the review and approval of contributions and direction of the PAC. The PAC’s activity, including all receipts and disbursements are reported regularly to the Federal Election Commission (FEC) and available for public viewing at www.fec.gov. Nothing in this Political Activity & Government Relations Policy is intended to prohibit the activities of the PAC or the ability of eligible employees to participate in the PAC as allowed by federal law.

As a Best Buy employee:
* Participation in the PAC is completely voluntary and at the discretion of eligible employees as allowed by federal law.
* Employees will not be favored or disadvantaged based on their decision to join or not join the PAC.
* No employee may cause the PAC to make a political contribution without obtaining prior approval from Government Relations.
* Neither the company nor the Best Buy PAC may reimburse an individual or entity for making political contributions.

**Best Buy Public Policy Priorities**
Each year, under the direction and approval of the Vice President of Government Relations, the company develops public policy positions that have a direct impact on our business. Government Relations manages these issues throughout the local, state and federal legislative sessions. Consistent with state and federal laws, Best Buy discloses all activities and expense related to lobbying. Federal lobbying reports can be found at http://www.senate.gov/legislative/Public_Disclosure/LDA_reports.htm or http://lobbyingdisclosure.house.gov/.

For additional information, please see www.bluegrassrootsnetwork.com and the Best Buy Political Activity & Public Policy Report.

For questions about this policy, please contact Government Relations: GovernmentRelations@bestbuy.com

Last Updated February 2012