

Gifts and Vendor Relations Policy

Policy owner: Ethics Office

Questions: ethics@bestbuy.com

At our best.

Every decision. Every day.

Effective: April 15, 2021



This policy applies to all employees across the Best Buy enterprise, including all affiliates or subsidiaries of Best Buy Co., Inc. This policy also applies to contingent workers and contracted workers in accordance with their employer's contractual obligations to Best Buy. All employees are expected to conduct themselves in a manner consistent with this policy and our values. Employees not following this policy may be subject to disciplinary action up to and including termination.

Summary

Best Buy's reputation and its ability to succeed in the marketplace hinge on the quality and integrity of its relationships with Vendors. To ensure success, employees must avoid actions that create or appear to create a conflict of interest with a Vendor or potentially lead to undue influence by a Vendor:

1. Gifts from Vendors to Best Buy employees are not allowed.
2. Vendor-paid entertainment (e.g., concert or sporting event attendance) is not allowed absent a legitimate business purpose and pre-approval by your Senior Vice President (SVP) or above.
3. Vendor-paid travel and lodging is not allowed absent a legitimate business purpose and pre-approval by your Senior Vice President (SVP) or above.
4. Vendor-paid meals may be accepted in limited circumstances and in adherence with the requirements of this policy, including disclosure of the meal to your manager before or, if unforeseen circumstances occur, promptly after the meal.
5. Vendor-paid training may occur if there is a legitimate business purpose and the training is attended by the Vendor. The training should not incorporate any type of entertainment, and any meals provided at the training must be reasonable. Any Vendor-paid training at a district, market or store level must be pre-approved by the District Manager or General Manager.

Policy details

Interactions that create or appear to create a conflict of interest in a business setting include:

- **Gifts to Employees from Vendors**
- **Tips from Customers to Employees**
- **Vendor-Paid Entertainment**

Note: Printed copies of this policy are considered current only on the day printed. Go to MY HR>Policies or your country's/subsidiary's HR Portal site for most current version.

- **Vendor-Paid Travel and Lodging**
- **Vendor-Paid Meals**
- **Vendor-Paid Training**
- **Vendor Accommodations**

For purposes of this policy, “Vendor” refers to: (a) any entity that does business with Best Buy, including merchandise vendors, non-merchandise vendors, industry groups, trade associations, consultants and consulting firms, or other service providers; and (b) any entity that is actively seeking to do business with Best Buy, including merchandise vendors, non-merchandise vendors, industry groups, trade associations, consultants and consulting firms, or other service providers, where you have knowledge that such entity is actively seeking to do business with Best Buy. The requirements of this policy also apply to employee interactions with customers of Best Buy Business (e.g., Best Buy Business employees may not accept Gifts from Best Buy Business customers).

GIFTS TO EMPLOYEES FROM VENDORS

Gifts to employees from Vendors are not allowed subject to very minor exceptions as outlined below. Accepting a Gift from a Vendor can have the appearance of impropriety and can corrupt the business environment and taint purchasing decisions by that employee.

For purposes of this policy, a “Gift” is anything of value (including cash and cash-equivalents) given to you without expectation of full retail value payment in return. If you receive an item from a Vendor and are uncertain whether it would be deemed a Gift under this policy, contact the Ethics Office at 612-291-7457 for guidance.

If you are offered or receive a Gift other than in one of the authorized exceptions below, you must do one of the following:

- Politely decline the Gift;
- Return the Gift to the Vendor;
- Provide the Gift to the Ethics Office (or country or subsidiary equivalent) and document the receipt of the Gift at [www.bestbuyethics.com /resources](http://www.bestbuyethics.com/resources); or
- Call the Ethics Office to discuss whether this is an appropriate circumstance for you to keep the Gift and make a charitable financial donation of the fair market value of the Gift to the Best Buy Foundation and then document the receipt of the Gift at [www.bestbuyethics.com /resources](http://www.bestbuyethics.com/resources).

The only **exceptions** to this rule as described in greater detail below are:

- De Minimis Items
- Food or Other Perishable Items
- Prizes
- Token Exchanges of Items in International Setting
- Product Samples and Promotional Copies
- Charity Events (e.g. Charity Classic)

a. De Minimis Items: A token promotional item of de minimis value does not constitute a Gift under this policy, e.g. a highlighter or a packet of post-it notes with the Vendor's name on it.

b. Food or Other Perishable Items: These types of items may be accepted provided that, if the perishable item is food, you put it out for general consumption in a common gathering area of your colleagues. There is no need to document the receipt of a Gift of food or other perishable item.

c. Prizes: A prize provided by a Vendor is not considered a Gift and may be accepted as long as the prize was awarded based on a random drawing that was open to a broad audience. The recipient may not return the prize to a Vendor or to a Best Buy store for credit or exchange.

d. Token Exchanges of Items in an International Setting: Employees that represent Best Buy in an international environment are responsible for understanding and complying with Best Buy's guidelines for conducting international business. If cultural norms or business etiquette require you to exchange token Gifts with a Vendor, you may accept the Gift on behalf of Best Buy if:

- The Gift is culturally appropriate and proportional to the business relationship; and
- Declining the Gift would offend the giver or the circumstances would preclude its return.

If you accept a business Gift on behalf of Best Buy in the circumstances described above, you must promptly contact the Ethics Office after receipt of the Gift to discuss how to handle the item, and you must document the receipt of the Gift using the online form at [www.bestbuyethics.com /resources](http://www.bestbuyethics.com/resources). In addition, all Gift giving/receiving must adhere to all local anti-bribery and anti-corruption laws as well as the Best Buy Anti-Corruption Policy.

The following activities are never acceptable in any circumstance by any employee of Best Buy, regardless of country or business unit:

- Employees may not pay or receive bribes.
- Employees may not provide anything of value to government officials. Such gifts are governed by the U.S. Foreign Corrupt Practices Act and other applicable laws. You must obtain prior approval from the Best Buy Legal Department before providing anything of value to a government official. There is no monetary threshold on this guideline, and it includes anything that might have value, including, but not limited to, cash, gifts, meals, entertainment, business opportunities, Best Buy product, offers of employment or internship to the government official or to one of his/her family members.

e. Product Samples and Promotional Copies: Certain Vendors seek to provide product samples, sample services (e.g., mobile phone service or data service) or promotional copies of their products (e.g., software, movies, games) to Best Buy employees to ensure that such employees are familiar with the merchandise or service. Employees may only accept a product sample, service or promotional copy if:

- the product, service or promotional copy is directly related to the employee’s job; and
- the employee has a legitimate business purpose for sampling or understanding the product, service or promotional copy to perform his/her job.

Product samples and services provided to a Best Buy employee should only be retained or used for a reasonable period of time and must be returned to the Vendor or canceled upon a change in the employee’s position within Best Buy or when the sample or service is no longer useful for training or for providing a customer-related service. Promotional copies may not be resold or redistributed to, or previewed or played by, other employees or the general public and must be returned to the Vendor or must be destroyed or deleted when the business purpose for previewing them no longer exists.

If the Vendor does not want or declines to accept the returned product, the product should be handled by the employee testing it pursuant to the following guidelines:

- If the product is of a type that may not be resold or reused (e.g., personal hygiene products such as an electric toothbrush or products with personally identifiable information), the product should be disposed of in the appropriate manner.
- If the product is of a type that may be resold or reused (e.g. television), the product should be provided to the Ethics Office or to a Sample Sale drop off location.

Employees must inform their manager before the product leaves the building. The time to test the product offsite should not be longer than 90 days unless agreed upon by the employee and the manager.

f. Charity Events (e.g., Charity Classic): Vendor donations solicited and received by a Vendor key relationship owner for the Charity Classic (or country or subsidiary equivalent type of annual event) are not considered Gifts. Other solicitations from Vendors for donations – including donations for an Employee Resource Group (ERG), a Focused Involvement Network (FIN), a company supported charity other than the Charity Classic (or country or subsidiary equivalent type of annual event), and personal charitable causes - **are** considered Gifts and are not allowed. Employees are not authorized to donate company funds or product to any nonprofit organization; all such requests must go through the Social Impact team.

TIPS FROM CUSTOMERS TO EMPLOYEES

Employees must not solicit or encourage tips from customers. Employees should follow this guidance if a customer offers a tip or Gift:

- Employees must attempt to politely decline or refuse a tip or Gift offered;
- If a customer is insistent on providing a tip or Gift and the employee is not able to graciously or politely refuse without offending the customer, or if there isn’t an opportunity to politely refuse or decline

(e.g., a tip or Gift is sent or left in a bag), employees may keep the tip or Gift but must promptly report the receipt of the tip or Gift to their manager.

VENDOR-PAID ENTERTAINMENT

Acceptance of Vendor-paid entertainment activities without a legitimate business purpose or taking advantage of a situation for personal enjoyment can lead to corruption in the business environment, tainted purchasing decisions, an actual conflict of interest or the appearance of a conflict of interest, and ultimately increased costs to Best Buy in its business dealings with the Vendor. Therefore, employees may only accept Vendor-paid entertainment if the following criteria are met:

- There is a legitimate business purpose; and
- The entertainment has been pre-approved by your SVP or above via the disclosure form set forth at www.bestbuyethics.com/resources; and
- The event is attended by the Vendor; and
- The environment is conducive to conducting business; and
- The entertainment is not extravagant; and
- Only moderate amounts of alcohol may be responsibly consumed, and employees must not become intoxicated; and
- Employees must comply with all other policies, including, but not limited to, those relating to harassment and inappropriate conduct.

Accepting from Vendors any form of entertainment that may reflect negatively on our company (such as any form of "adult" entertainment, attendance at strip clubs, and/or purchase of sexual favors, etc.) is never acceptable. In addition, accepting from Vendors high-risk activities that pose significant risk of injury is never acceptable.

In addition, employees may not purchase tickets to any type of event from a Vendor and employees should never solicit entertainment from a Vendor.

A spouse/partner, family member or guest of an employee may not accept Vendor-paid entertainment unless approved by the CEO, CFO or COO.

NOTE: Major events such as the World Series, The Masters, Super Bowl, World Cup, Stanley Cup, Kentucky Derby, Wimbledon, etc., and play-offs for these types of events, and events such as the Grammy Awards, the Oscars, etc. require pre-approval by the CEO, CFO or COO.

VENDOR-PAID TRAVEL AND LODGING

Travel to Vendors is often a necessary part of doing business. At times, allowing the Vendor to pay for business-purpose travel and lodging can help offset Best Buy's costs of doing business with that Vendor. However, acceptance of Vendor-paid travel and lodging without a legitimate business purpose or taking advantage of a situation for personal enjoyment can lead to corruption in the business environment,

tainted purchasing decisions, an actual conflict of interest or the appearance of a conflict of interest, and ultimately increased costs to Best Buy in its business dealings with the Vendor. Therefore, employees may only accept Vendor-paid travel and lodging if the following criteria are met:

- There is a legitimate business purpose and the travel and lodging is limited to that specific business purpose; and
- The travel and lodging have been pre-approved by your SVP or above via the disclosure form set forth at www.bestbuyethics.com /resources; and
- The travel and lodging are for the Vendor's convenience; and
- The Vendor is in attendance; and
- The form of travel and lodging is consistent with, and would be otherwise acceptable under, Best Buy's Travel and Expense Reimbursement Policy.

A spouse/partner, family member or guest may not accept Vendor-paid travel unless approved by the CEO, CFO or COO.

VENDOR-PAID MEALS

Acceptance of Vendor-paid meals without a legitimate business purpose or taking advantage of a situation for personal enjoyment can lead to corruption in the business environment, tainted purchasing decisions, an actual conflict of interest or the appearance of a conflict of interest, and ultimately increased costs to Best Buy in its business dealings with the Vendor. Therefore, employees may only accept Vendor-paid meals if the following criteria are met:

- There is a legitimate business purpose for meeting with the Vendor; and
- The meal is promptly reported to your manager or is reported to your manager in advance; and
- The Vendor is in attendance; and
- The meal is for the convenience of the participants or process; and
- The meal is reasonable and not extravagant (e.g., the meal does not take place at a high-end restaurant); and
- Only moderate amounts of alcohol may be responsibly consumed, and employees must not become intoxicated; and
- Employees must comply with all other policies, including, but not limited to, those relating to harassment and inappropriate conduct.

There is no need to document the receipt of a Vendor-paid meal.

VENDOR-PAID TRAINING

Local vendor-paid training not involving travel may occur if there is a legitimate business purpose and the training is attended by the Vendor. The training should not incorporate any type of entertainment (e.g. golfing, bowling) or be held at an entertainment venue (e.g. a movie theater), and any meals provided at the training must be reasonable. Any local vendor-paid training at a district, market or store

level must be pre-approved by the District Manager or General Manager. If vendor-paid training involves travel and/or lodging, employees should follow the criteria set forth in the Vendor-Paid Travel and Lodging section herein.

VENDOR ACCOMMODATIONS

For information and guidelines on vendor accommodations, U.S. employees should refer to the Employee Accommodation Program SOP on ETK.

Reporting non-compliance

Employees should report all instances of non-compliance with this policy to their manager, vice president/company officer, Ethics Office, or the Open & Honest Ethics Line. Directors, managers and company officers should immediately report situations that create or give the appearance of creating, a conflict of interest or could lead to a weakness in the Company's system of internal controls or overall control environment, to the Ethics Office and Vice President of Internal Audit.

- Contact your manager, call the Open & Honest Ethics Line at 1-833-BBY-OPEN or the Ethics Office at 1-612-291-6143; or
- Email the Ethics Office at ethics@bestbuy.com; or
- Visit the Open & Honest webpage at www.bestbuyethics.com.

Retaliation is not allowed

Best Buy does not allow any form of retaliation against individuals for reporting policy violations in good faith or cooperating in investigations. Retaliation will result in disciplinary action up to and including termination.

Reservation of rights

This policy is not intended to be a contract. Best Buy reserves the right in its sole discretion to interpret the provisions of this policy, vary from them, change them, or rescind them, unless prohibited by applicable law.

Frequently Asked Questions

Gifts

Q: A Vendor has given me a gift card for coffee in the amount of \$10.00. Can I keep this?

A: No. A gift card or a gift of cash in any value is not allowed under the Gifts and Vendor Relations Policy. You should politely decline it, return it, or give to the Ethics Office (or country or subsidiary

equivalent). You must also document the receipt of the gift card using the online form at [www.bestbuyethics.com /resources](http://www.bestbuyethics.com/resources).

Q: I won a dishwasher after filling out a sweepstakes ticket in the hub from LG, one of Best Buy's Vendors. Can I keep the dishwasher?

A: Yes. Because this is considered a prize from a Vendor-sponsored sweepstakes and the sweepstakes was open to a broad audience and used a random drawing, it is not considered a Gift. However, you may not return the prize to a Vendor or to a Best Buy store for credit or exchange.

Q: I attended a Vendor training event recently. At the event, all attendees were given pens and post-it notes with the Vendor's name on it. Can I keep these items?

A: Yes. These would be considered token promotional items of de minimis value and thus would not be considered a Gift.

Q: I traveled to China for business-related meetings and after the meeting I received a bottle of sake from the Vendor. Can I accept this Gift so I don't offend the Vendor?

A: You may accept the Gift on behalf of Best Buy if it is within the cultural norm and if you would otherwise risk offending the Vendor by not accepting it. Follow the rules set forth in the Gifts and Vendor Relations Policy, including contacting the Ethics Office to discuss how to handle the Gift upon your return and documenting the Gift using the online form at [www.bestbuyethics.com /resources](http://www.bestbuyethics.com/resources).

Q: A Vendor sent a basket of fruit, chocolate, and wine to me. Can I keep it?

A: You should put the fruit and chocolate in a common area for all to consume, and you must give the wine to the Ethics Office (or country or subsidiary equivalent) for appropriate contribution to a company-sponsored charitable event. You need to document receipt of the wine using the online form at [www.bestbuyethics.com /resources](http://www.bestbuyethics.com/resources), but you do not need to document receipt of the fruit and chocolate.

Q: One of our Vendors is sponsoring an educational seminar and is offering it free of charge to all attendees. This seminar is directly related to my core role. May I attend the seminar?

A: Vendor-sponsored educational events that do not involve Vendor-paid travel are acceptable if there is a legitimate business purpose, and the training is attended by the vendor. Because the seminar is directly related to your core role, a legitimate business purpose exists.

Q: A Vendor sent flowers to me to welcome me back after a medical leave. Can I keep them?

A: Yes, flowers are perishable, so you may keep them and there is no need to document receipt of this Gift.

Tip from Customer:

Q: What if a customer gives an employee a card that contains a tip that was not discovered until after the customer had left?

A: Because there was not an opportunity to politely decline or refuse the tip, the employee may keep the tip but must report receipt of the tip to their manager.

Entertainment

Q: I have been invited by one of our Vendors to play golf at a local golf course and the Vendor intends to pay for the round. Can I go and have the Vendor pay?

A: There must be a legitimate business purpose for the round of golf (e.g., business will be conducted during the round), and you must obtain pre-approval from your SVP or above by completing the form at www.bestbuyethics.com /resources. If there is a legitimate business purpose and your SVP or above approves, the Vendor may pay for your round.

Q: A Vendor has offered to take me and some members of my team to a baseball game where we will discuss the launch of a new product. Can we attend the game?

A: You must obtain pre-approval to attend the game from your SVP or above by completing the form at www.bestbuyethics.com /resources. Discussing a new product launch is an example of conducting business – a legitimate business purpose. If your SVP or above agrees and approves your pre-approval form, you may attend the game. But keep in mind that certain entertainment venues, such as sports or concert stadiums may not allow for meaningful business conversations to take place and will be taken into consideration when reviewing your request.

Q: A Vendor has offered to take me to a concert. The concert will be loud, and it will be difficult to hear each other talk. Can I go?

A: There must be a legitimate business purpose for your attendance at the concert (e.g., business will be conducted during the concert) and you must obtain pre-approval to attend the game from your SVP or above by completing the form at www.bestbuyethics.com /resources. This request will not likely be approved because you would not be able to easily conduct business at the concert and thus there would not be a legitimate business purpose for your attendance.

Q: I have been offered two tickets to a play by a Vendor representative, but he cannot go. Can I accept the tickets?

A: No, this would be considered a Gift because the Vendor will not be in attendance with you at the event. As such, it would not be acceptable for you to accept the tickets.

Q: I have been invited to attend the Super Bowl by a Vendor. Can I go?

A: This would be considered a major event under the Gifts and Vendor Relations Policy, and therefore you will not be allowed to go unless there is a legitimate business purpose and you have pre-approval from either the CEO, CFO or COO.

Q: A Vendor has an extra ticket to the Masters Golf Tournament. Can I buy it from the Vendor and, if so, should I pay face value of the ticket or the fair market value?

A: No, you cannot buy the ticket from the Vendor, regardless of your willingness to pay face value or fair market value. The Gifts and Vendor Relations Policy prohibits employees from purchasing tickets directly from Vendors.

Travel

Q: I am attending a quarterly business review meeting at the Vendor's corporate office in Florida. The Vendor has offered to pay for my travel and lodging expenses. In addition, the Vendor would like to pay for a two-hour winery tour. Can I accept the travel as well as the entertainment?

A: As soon as possible before the meeting, you must request the requisite pre-approval for the Vendor-paid travel, lodging and entertainment by completing the form at [www.bestbuyethics.com](http://www.bestbuyethics.com/resources) /resources. The request will be forwarded to your SVP or above to determine whether this is a legitimate business purpose for the Vendor-paid travel, lodging and entertainment. It is possible that a legitimate business purpose would be found for the Vendor-paid travel and lodging, but not for the Vendor-paid entertainment.

Meals

Q: A Vendor has invited me to a happy hour. Can I go and accept drinks and appetizers paid for by the Vendor?

A: This would be similar to accepting a meal from the Vendor. If there is a legitimate business purpose for the event, if it is for the convenience of the parties and the business process, if it is not overly extravagant and alcohol consumption is limited, and if you have notified your manager, then you may attend the event and have the Vendor pay. There is no need to inform or seek pre-approval from the Ethics Office. Keep in mind that only moderate amounts of alcohol may be responsibly consumed, and employees must not become intoxicated.

Q: I am hosting a business meeting with a Vendor. May I pick up the tab for lunch?

A: This situation does not fall under the Gifts and Vendor Relations Policy. The question relates to the use of Best Buy funds, not Vendor funds, and thus you should refer to the Travel and Expense Reimbursement Policy to address your question.

Q: I have a standing lunch meeting with a Vendor who is frequently in town. Can I continue meeting the Vendor regularly for lunch and have the Vendor pay for my lunches?

A: Vendor-paid meals are permissible only if, in each instance, they serve a legitimate business purpose. In general, ongoing lunches with the same Vendor would not appear to serve a legitimate business purpose except in extraordinary circumstances. If you need to meet with a Vendor who is frequently in town, you should make efforts to meet with the Vendor outside of meal periods to avoid the appearance of impropriety (i.e., the possibility of the Vendor exerting undue influence on decisions by continually paying for lunches). If you occasionally need to meet with a Vendor during a lunch period, you will need to follow the criteria set forth in the Vendor-paid meals section of the Gifts and Vendor Relations Policy.

Q: A Vendor has offered to provide a pizza lunch for the store employees during the holiday season. Is it okay to accept this?

A: It is acceptable to share a pizza lunch provided by the Vendor as long it was not solicited by the employees.

Miscellaneous

Q: If I have other questions about this Policy, who can I contact?

A: You may contact the Ethics Office:

BEST BUY ETHICS OFFICE

7601 Penn Avenue South

Minneapolis, MN 55423

Direct Dial 612-291-7457 (Lori Selman) or 612-291-6143 (Bill Underwood)

ethics@bestbuy.com

Open & Honest Ethics Line: phone: 1-833-BBY-OPEN or www.bestbuyethics.com

For callers outside North America, go here for your country phone numbers:

www.bestbuyethics.com