

## **H&R Block, Inc. Political Activities Policy**

### **Introduction**

At H&R Block, we believe we have a responsibility to our shareholders, employees, and clients to be appropriately engaged in the political process to both protect and promote shared interests. Our business and the industry in which we participate are subject to extensive regulation, and the possibility exists that additional regulations could be adopted that impact the manner in which we serve our clients. We believe it is in our best interests, as well as those of our shareholders, employees and clients, for us to be an effective participant in the political process by making prudent political contributions consistent with the extensive regulation that exists at the federal, state, and local levels. Additionally, some of our employees and directors may voluntarily fund a political action committee (“BlockPAC”) that is authorized to make political contributions to state and federal candidates, political party committees, and political action committees. We also participate in certain trade and industry associations to benchmark best practices and share knowledge, and we work with governments, others in our industry, the broader business community, and our clients to protect and promote shared interests.

As part of a comprehensive effort to ensure compliance with applicable laws relating to our political activities, we have established rigorous internal controls, policies, and management oversight concerning our political contributions and expenditures. We also devote substantial internal resources to ensuring that any political contributions are undertaken and disclosed in compliance with applicable laws and regulations. Our Board of Directors has adopted this Political Activities Policy (“Policy”) to set forth H&R Block’s policies and practices regarding our political activities.

### **Personal Employee Political Activities**

Our employees are free to engage in personal volunteer political activities and contribute personal resources to candidates and parties in any manner consistent with applicable federal, state and local laws, so long as such activities do not interfere with their work-related responsibilities and subject to applicable guidelines contained in our Code of Business Ethics and Conduct. Employees may not use H&R Block resources or coercive solicitations to further their own personal political activities, and must avoid the appearance that they are speaking or acting on behalf of H&R Block. Individuals are not reimbursed directly or through compensation increases for their personal political contributions, including contributions to BlockPAC.

### **Political Action Committee**

H&R Block sponsors BlockPAC, a political action committee organized under federal law, which allows employees and directors to voluntarily pool their resources to support the election of candidates for public office. BlockPAC files reports of receipts and disbursements with the Federal Election Commission (the “FEC”) quarterly in election years and semi-annually in non-election years, in accordance with FEC rules. BlockPAC also files other reports required by the FEC. In addition, BlockPAC files reports under the Lobbying Disclosure Act and with state election agencies, as required by applicable laws. In compliance with applicable law, BlockPAC is authorized to contribute money to candidates for federal and state office and political parties and committees.

From time to time, BlockPAC solicits support from employees and directors in compliance with FEC regulations. Any contributions are strictly voluntary and H&R Block does not take any retaliatory action against employees or directors who choose not to contribute. BlockPAC maintains a board of directors that governs and oversees all BlockPAC activities in consultation with outside advisors as necessary.

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### **Political Contributions**

H&R Block's political spending is intended to further the company's interests, as well as those of our shareholders, employees and clients, and not the personal agendas of individual officers, directors or employees. While we engage in political activities, including making political contributions to protect and promote our interests as described in this Policy, we do not make campaign contributions directly in anticipation of, in recognition of, or in return for official acts. In order to help ensure that any political contributions are made in compliance with this Policy and applicable law, the H&R Block Code of Business Ethics and Conduct expressly prohibits any payment, gift, or contribution with company funds to any candidate for public office, campaign fund, political party or organization without prior authorization by the Chief Executive Officer.

### **Material Contributions to Trade Associations and Section 501(c)(4) Entities**

We belong to several trade associations to help benchmark best practices and share knowledge and we pay regular dues to these organizations. While some of these trade organizations may engage in legislative or other political activity, we have no direct control over their activities and do not necessarily support all of their political goals.

Beginning with fiscal year 2016, we will annually disclose the portion of H&R Block's payments to trade associations to which we pay material annual dues and entities organized under section 501(c)(4) of the Internal Revenue Code to which we make material payments in a given fiscal year, in each case if such dues or payments are used for federal lobbying or political purposes and are non-deductible under section 162(e) of the Internal Revenue Code, to the extent that information is disclosed to H&R Block by the recipient. For purposes of the foregoing sentence, "material" is defined as an amount equal to or greater than \$50,000.

### **Disclosure Practices**

H&R Block publicly discloses its political contributions and activities consistent with applicable laws and regulations. To enable interested parties to review our political contributions made during each fiscal year, we will voluntarily post on our company website an annual report that details (i) political contributions or expenditures made by H&R Block that are otherwise required by law to be reported by us or the recipient to governmental agencies and (ii) information regarding H&R Block's contributions to trade associations and section 501(c)(4) entities, as described above under "Material Contributions to Trade Associations and Section 501(c)(4) Entities." The report will identify the recipient and the amount paid to each recipient, and will be available by the end of the second fiscal quarter of the following fiscal year.

Information concerning BlockPAC's contributions can be viewed at [www.fec.gov](http://www.fec.gov). These contributions are separate from H&R Block's contributions and are therefore not included in the annual report described in the foregoing paragraph.

### **Board of Directors Oversight**

Each year, the Governance and Nominating Committee of H&R Block's Board of Directors will review the annual report described above in order to assist the Board in fulfilling its oversight role. Additionally, the Governance and Nominating Committee will be responsible for reviewing and assessing this Policy on a periodic basis and recommending that the Board approve any revisions it considers appropriate or desirable.