

	
Policy Title:	Government Affairs Engagement Policy
Last Revised:	January 2023
Policy Owner:	Government Affairs
Scope:	Applies to all Chipotle employees

Purpose

This policy serves to set clear, transparent guidelines for all of Chipotle Mexican Grill’s engagement and interaction with government officials.

Scope

This policy applies to all Chipotle employees not just those in the government affairs function. Federal and state laws regulate the form and way interaction with government officials can take place. Any employee violating these laws is subject to criminal and civil penalties as well as internal discipline including termination of employment. Any employee who is engaging elected officials on behalf of the company must do so with the approval and oversight of the government affairs function.

Statement of Policy

At Chipotle Mexican Grill we believe food has the power to change the world. Chipotle was born of the radical belief that there is a connection between how food is raised and prepared, and how it tastes. Real is better. Better for You, Better for People, Better for Our Planet. It may be the hard way to do things, but it’s the right way.

Our mission to cultivate a better world extends to our political engagement and advocacy efforts. Our mission and our values will always be the North Star that guides these efforts.

Political engagement and advocacy take many forms. One version is lobbying: Lobbying is a way for organizations – including non-profits and companies – to communicate their values and views on issues that affect operations to elected officials. Because we have a diverse array of constituencies to serve – our employees, our customers, our vendors, our community partners, our shareowners, our planet and more – we have formed a government affairs function.

Decisions are made every day at the local, state and federal levels that may have a significant impact these constituencies, so we consider it our duty, and our responsibility, to make our views clear to those in government who make laws, regulations and policies.

Key Advocacy Areas

The list of issues that impact our business day-to-day could potentially be endless. However, we are committed to ensuring our advocacy activities are consistent with our core values and are focused on ALL the stakeholders above—not just the bottom line. And of course, we will always advocate within the letter and spirit of the law with the highest level of integrity.

While this list is always evolving to adapt to the concerns of our stakeholders here are a few top advocacy areas where we often focus our discussions with policymakers in the United States:

- Food Safety
- Labor and Workplace
- Diversity and Inclusion
- Agriculture—Small Farmers and Animal Welfare
- Environmental policy
- Nutrition
- Taxes & Trade
- Transportation
- Advertising
- Data Privacy

Oversight and Compliance

Our policy priorities are developed by the government affairs team in partnership with internal stakeholders and external partners. Our engagement policy is reviewed yearly by Chipotle's executive leadership team to ensure that it is in alignment with our company's values, articles of incorporation and business strategy and the Nominating and Corporate Governance Committee of our Board of Directors oversees our government affairs initiatives and policies. We report to the Committee at least twice each year.

The federal Lobbying Disclosure Act of 1995, as amended, is a federal lobbying statute administered by Congress that oversees legislative and executive branch lobbying contacts. All our advocacy efforts strictly comply with this law on the federal level. We are committed to transparency in advocacy. Our federal lobbying reports can be found [here](#).

Additionally, we rigorously follow all state or local laws that govern lobbying activities. Currently California and New York are the only states in which our government affairs activities have triggered reporting requirements. Lobbying reports for the state of California can be found [here](#). or New York City [here](#) (entity CMG Strategy Co LLC) and the state of New York [here](#).

Political Giving

In the United States, political giving to candidates for public office is a legal way to support elected officials who share our values and mission to Cultivate a Better World. Some of our employees, individually, may support or make donations to organizations or candidates for public office, and we recognize and respect the rights of our employees to support any political or other organization they choose. Other employees choose not to participate in the political process at all. To respect the rights of all our employees, unless the event or activity is officially sponsored by Chipotle, any activity or involvement in, or support of any political or organization must be done outside of the work environment and on the employee's own personal time without the use of Chipotle assets, facility or funds. Limits on the amount of money an individual can give to a candidate are set by the Federal Election Commission (FEC).

A Political Action Committee (PAC) is a legal entity set up as a vehicle for eligible employees of a company to donate personal funds to a pool that can then be donated to candidates on behalf of the company. PACs are regulated by the Federal Election Commission (FEC) and must be publicly reported. Like individual giving, there are monetary limits on how much a company PAC can give to a candidate. As with individual contributions directly to candidates, employee contributions to the company PACs are strictly voluntary and never mandated. **Chipotle does not currently have a company PAC.**

A third way for companies to support political candidates is by making contributions using corporate funds to so called “Super PACs”. Giving to these entities is generally unlimited and have very few disclosure requirements. **Chipotle does not use corporate funds for independent expenditures to Super PACS for the purpose of benefiting a specific candidate.**

The company, however, contributes funds on a limited, bipartisan basis to broader political groups organized under Section 527 of the Internal Revenue Code. Those contributions are voluntarily reported in our Government Affairs Contributions Report which can be found [here](#).

In some instances, the company may also contribute corporate funds for the purpose of supporting or opposing state and local ballot initiatives with material impact on our business operations and our employees, if permitted by law. Those contributions are voluntarily reported in our Government Affairs Contributions Report which can be found [here](#).

Trade Association Membership

At Chipotle, we participate in trade groups and other organizations that provide a forum to network with our industry peers. These groups represent a broad spectrum of views on industry and policy issues. Mission consistency is important to us, and we review our participation with our company values in mind on a regular basis.

While we don’t always agree with the views of these groups, nor do we always agree with our industry peers, we are fully committed to collaborative problem-solving in a way that fully complies with anti-trust laws. We believe that’s the best way to address a problem, have the greatest impact, and get to the best outcome.

Senior company business leaders, together with our legal, government affairs and communications teams, oversee and approve U.S. trade association memberships. We define “trade associations” as organizations that represent the interests of the restaurant industry, the broader food and consumer goods industry, key customer and supplier industries and the overall business community. In compliance with U.S. law, we disclose the portion of the dues and any other payments we make to trade associations that are non-deductible and used for federal lobbying expenditures in quarterly lobbying reports.

A list of contributions we make to trade associations and similar organizations can be found [here](#).