

ILLINOIS TOOL WORKS INC. GOVERNMENT AFFAIRS

ITW prohibits its employees from using corporate funds to make political contributions and does not have a political action committee. Generally, all relevant U.S. employees are asked annually to certify compliance with this prohibition.

As reported on its federal Lobbying Reports filed with the Clerk of the U.S. House of Representatives at <u>lobbyingdisclosure.house.gov</u>, ITW's total annual expenditures on lobbying activities in 2013, 2014, 2015, 2016 and 2017 were \$850,000, \$470,000, \$270,000, \$180,000 and \$250,000, respectively.

All federal and state lobbying costs are set forth in our lobbying reports, as are any personal contributions made to candidates for federal office by our government affairs professional. ITW has not made any "independent expenditures" in connection with federal or state elections and has no plans to do so in the foreseeable future.

ITW, and a number of our domestic businesses, belong to various trade associations. ITW reports annually on the portion of dues, if any, designated for lobbying purposes by the various trade associations of which ITW or our domestic businesses are members. These amounts, which are not audited, are included in ITW's total annual lobbying expenditures shown in its annual Lobbying Reports described above. The amount of dues designated for lobbying purposes for any such trade association has not exceeded \$50,000 in any of the last five years.