

RAN D. BEN-TZUR

RBENTZUR@FENWICK.COM | 650.335.7613

FEBRUARY 5, 2021

BY EMAIL (shareholderproposals@sec.gov)

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E. Washington, D.C. 20549

Re: Fortinet, Inc. 2021 Annual Meeting of Stockholders: Omission of Shareholder Proposal of John Chevedden

Ladies and Gentlemen:

Pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), we are writing on behalf of our client, Fortinet, Inc., a Delaware corporation (the “Company”), to request that the Staff of the Division of Corporation Finance (the “Staff”) of the U.S. Securities and Exchange Commission (the “Commission”) concur with the Company’s view that, for the reasons stated below, it may exclude the shareholder proposal and supporting statement (the “Proposal”) submitted by John Chevedden (the “Proponent”) from the proxy materials to be distributed by the Company in connection with its 2021 annual meeting of stockholders (the “2021 proxy materials”).

In accordance with Section C of Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”), we are emailing this letter and its attachments to the Staff at shareholderproposals@sec.gov. In accordance with Rule 14a-8(j), we are simultaneously sending a copy of this letter and its attachments to the Proponent as notice of the Company’s intent to omit the Proposal from the 2021 proxy materials.

Rule 14a-8(k) and Section E of SLB 14D provide that shareholder proponents are required to send companies a copy of any correspondence that the shareholder proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to remind the Proponent that if the Proponent submits correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should concurrently be furnished to the Company.

I. The Proposal

The resolution of the Proposal is copied below:

Shareholders request that Fortinet provide a report, updated semiannually, disclosing the Company’s:

1. Policies and procedures for making, with corporate funds or assets, contributions and expenditures (direct or indirect) to (a) participate or intervene in any campaign on behalf of (or in opposition to) any candidate for public office, or (b) influence the general public, or any segment thereof, with respect to an election or referendum.
2. Monetary and non-monetary contributions and expenditures (direct and indirect) used in the manner described in section 1 above, including:

The identity of the recipient as well as the amount paid to each;
and
The title(s) of the person(s) in the Company responsible for
decision-making.

The report shall be presented to the board of directors and posted on the
Company's website within 12 months from the date of the annual meeting. This
proposal does not encompass lobbying spending.

II. Background

The Company received an initial version of the Proposal via email from the Proponent on December 18, 2020, accompanied by a cover letter from the Proponent. The Company had previously received by email on a letter from Fidelity Investments (the "Broker Letter"), dated November 17, 2020, verifying the Proponent's stock ownership. Copies of the initial Proposal and the Broker Letter and related correspondence are attached hereto as Exhibit A.

III. Bases for Exclusion

We hereby respectfully request that the Staff concur in the Company's view that it may exclude the Proposal from the 2021 proxy materials, based on two separate reasons, each of which alone, the Company believes, reasonably justifies excluding the Proposal:

(a) Rule 14a-8(i)(5) because the Proposal relates to operations that are not economically significant and that are not otherwise significantly related to the Company's business; and

(b) Rule 14a-8(i)(10) because the Company has substantially implemented the Proposal.

IV. The Proposal May be Excluded Under Rule 14a-8(i)(5) Because It Relates to Operations That Are Not Economically Significant and That Are Not Otherwise Significantly Related to the Company's Business

Rule 14a-8(i)(5) provides that a company may exclude a stockholder proposal "[i]f the proposal relates to operations which account for less than 5 percent of the company's total assets at the end of its most recent fiscal year, and for less than 5 percent of its net earnings and gross sales for its most recent fiscal year, and is not otherwise significantly related to the company's business." In Staff Legal Bulletin No. 14I (Nov. 1, 2017) ("SLB 14I"), the Staff examined its historic approach to interpreting Rule 14a-8(i)(5) and determined that the Staff's prior "application of Rule 14a-8(i)(5) ha[d] unduly limited the exclusion's availability because it ha[d] not fully considered the second prong of the rule as amended in 1982 – the question of whether the proposal 'deals with a matter that is not significantly related to the issuer's business' and is therefore excludable." Accordingly, the Staff noted that, going forward, it "will focus, as the rule directs, on a proposal's significance to the company's business when it otherwise relates to operations that account for less than 5% of total assets, net earnings and gross sales." *Id.*

A. The Proposal Relates to Operations that Account for Less Than Five Percent of Each of the Company's Total Assets, Gross Profit and Net Income

The Company's total assets, gross profit and net income for the fiscal year ended December 31, 2019 (the Company's most recently ended full fiscal year for which data is publicly available) were approximately \$3.9 billion (total assets), \$1.7 billion (gross profit) and \$326.5 million (net income), respectively. To date, the Company has not made any direct political contributions on behalf of (or in opposition to) any candidate for public office, or to influence the general public, or a segment thereof, with respect to an election or referendum, and the Company currently has no intention to make any such contributions. Further, the Company has conducted a review of its internal records and determined that no indirect political contributions have been made by the Company that were intended to support or

influence the opposition to any candidate for public office or to influence the general public, or a segment thereof, with respect to an election or referendum as contemplated by the Proposal. Accordingly, the Proposal relates to activities that the Company has not undertaken and that, accordingly, account for substantially less than five percent of each of the Company's total assets, gross profit and net income.

B. The Proposal is Not Otherwise Significantly Related to the Company's Business

As previously mentioned, in SLB 14I the Staff determined that its prior "application of Rule 14a-8(i)(5) ha[d] unduly limited the exclusion's availability because it ha[d] not fully considered . . . the question of whether [a] proposal 'deals with a matter that is not significantly related to the issuer's business' and is therefore excludable." The Staff went on to explain that this analysis is "dependent upon the particular circumstances of the company to which the proposal is submitted," and that "[w]here a proposal's significance to a company's business is not apparent on its face, [it] may be excludable unless the proponent demonstrates that it is 'otherwise significantly related to the company's business.'" *Id.* It continues, stating that a "proponent could continue to raise social or ethical issues in its arguments, but it would need to tie those to a significant effect on the company's business." *Id.* The Staff also noted that determining whether a proposal is "otherwise significantly related to the company's business" may involve "difficult judgement calls" and that a company's "board of directors is generally in a better position to determine." *Id.* Additionally, in Staff Legal Bulletin No. 14J (Oct. 23, 2018) the Staff indicated that "a well-developed discussion of the board's analysis of whether the particular policy issue raised by the proposal is otherwise significantly related to the company's business . . . can assist the staff in evaluating a company's no-action request." The Staff added that a board analysis is particularly helpful in "the case where the significance of a particular issue to a particular company and its shareholders may depend on factors that are not self-evident and that the board may be well-positioned to consider and evaluate." *Id.* The Staff has previously concurred with the exclusion of stockholder proposals where a committee of the company's board of directors provided the analysis in place of the entire board of directors. *See e.g. Marriot International, Inc.* (Mar. 13, 2020) (stating that the "Board of Directors' Nominating and Corporate Governance Committee's analysis was dispositive to the staff's ability to grant relief under Rule 14a-8(i)(5)"); *ResMed Inc.* (Aug. 27, 2020).

Board Analysis

The Company's Board of Directors (the "Board") is regularly updated on the Company's operations and also oversees matters related to the Company's corporate governance, and the Board has established various committees of the Board to provide further oversight. The Board is responsible for reviewing stockholder proposals and determining the Company's response. The Board discussed the Proposal at a meeting of the Board after receipt of the Proposal and, at a subsequent meeting of the Audit Committee of the Board (the "Audit Committee"), the Audit Committee further discussed the Proposal. The Board also reviewed this letter. The Board has sufficiently considered and analyzed the Proposal with input from the Company's management and outside counsel, and, after multiple discussions regarding the Proposal and considering the information presented, the Board has concluded that the Proposal is not significantly related to the Company's business.

In reaching its conclusion that the Proposal is not significantly related to the Company's business, the Board considered the fact that the Company does not engage in the activities that are encompassed by the Proposal, as further discussed below:

- **History and Policy Regarding Direct Contributions:** The Company has not made any contributions to any candidate for public office, to any political party or intended to influence the general public with respect to any elections or referendums, and the Company has no present intention of making any such contributions for the foreseeable future. The Company's Code of Business Conduct and Ethics (the "Code of Conduct") prohibits using Company funds or assets to make political contributions and prohibits employees from making political contributions on behalf of the Company without prior written approval of the Company (applicable section of the Code of Conduct is attached hereto as Exhibit B). No such approval has been granted to date. The lack of any direct political contributions in the Company's history indicates that such activities are not significant to the Company's business.

- **History and Policy Regarding Indirect Contributions:** As discussed above, the Company has not, and does not currently intend to, make any indirect contributions for the purpose of participating or intervening in any campaign on behalf of (or in opposition to) any candidate for public office, or for the purpose of influencing the general public, or a segment thereof, with respect to an election or referendum. The Company does not have a political action committee (“PAC”), does not currently intend to create a PAC and does not use Company funds or assets to contribute to any PAC. This lack of indirect political contributions indicates that such activities are also not significant to the Company’s business.
- **Lack of Stockholder Interest:** The Company’s stockholders have not previously expressed interest in the issues identified in the Proposal. Prior to receiving the Proposal, the Company had never received a stockholder proposal regarding political contributions or similar topics. The Company’s investor relations team meets with stockholders throughout the year, and, on a regular basis, receives their feedback about the Company and their priorities regarding the Company. The Company’s investor relations team does not recall any stockholder (other than the Proponent) ever mentioning the subject matter in the Proposal as a priority. And, since January 2018 (the earliest records in the Company’s current investor engagement database), the Company’s investor relations department has solicited feedback from more than 500 unique stockholders representing approximately 21% of the Company’s outstanding shares of common stock as of December 31, 2020. None of these stockholders mentioned direct or indirect political contributions or similar topics as important to their evaluation of the Company. Additionally, the Broker Letter confirms that the Proponent owns only 50 shares of common stock of the Company, out of approximately 162 million shares outstanding as of December 31, 2020. The lack of expressed stockholder interest indicates that stockholders generally do not view the Company’s political contributions as significant to the Company’s business.
- **Existing Disclosures Provide Equivalent Information:** The Company already publicly discloses its policies regarding direct and indirect political contributions, the topics identified in the Proposal. Following receipt of the Proposal, the Company made available to the public a page on the Company’s website, entitled “Our Commitment to Informed Public Policy with Proper Openness and Oversight”¹ and attached hereto as Exhibit C, in which it describes its approach to political spending, its policies and controls related to political spending and the oversight role of the Board and the Governance Committee of the Board (the “Governance Committee”) in such matters (the “Political Spending Disclosure”). Moreover, the Code of Conduct containing the Company’s policy on political contributions is available on the Company’s website.² The Company intends to update its disclosure on a regular basis, as appropriate, and has committed to do so in its current disclosure.

In light of the foregoing considerations, the Company believes the Proposal’s significance to the Company “is not apparent on its face.” Additionally, and for the foregoing reasons, the Board found that the Proposal is not “otherwise significant to the Company’s business.” The Proponent has not tied the Proposal “to a significant effect on the company’s business.” Accordingly, the Company requests that the Staff concur that the Proposal is excludable pursuant to Rule 14a-8(i)(5) because it relates to operations that are not economically significant or otherwise significantly related to the Company’s business.

V. The Proposal May be Excluded Under Rule 14a-8(i)(10) Because the Company Has Substantially Implemented the Proposal.

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal if the company has already substantially implemented the proposal. The Commission adopted the “substantially implemented” standard in 1983 after determining that the “previous formalistic application” of the rule defeated its purpose, which is to “avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the

¹ Available here: <https://www.fortinet.com/corporate/about-us/corporate-social-responsibility/commitment-to-informed-public-policy-with-proper-openness-and-oversight>

² Available here: <https://investor.fortinet.com/committee-details/code-business-conduct-and-ethics>

management.” See Exchange Act Release No. 34-20091 (Aug. 16, 1983) (the “1983 Release”) and Exchange Act Release No. 34-12598 (July 7, 1976). Accordingly, the actions requested by a proposal need not be “fully effected” provided that they have been “substantially implemented” by the company. See 1983 Release.

Applying this standard, the Staff has permitted exclusion under Rule 14a-8(i)(10) when the company’s policies, practices and procedures compare favorably with the guidelines of the proposal. See, e.g., *Exxon Mobil Corp.* (avail. Mar. 17, 2015) (permitting exclusion of a proposal requesting that the company commit to increasing the dollar amount authorized for capital distributions to shareholders through dividends or share buybacks where the company’s long-standing capital allocation strategy and related “policies practices and procedures compare[d] favorably with the guidelines of the proposal and...therefore, substantially implemented the proposal”); *State Street Corporation* (avail. March 5, 2018) (permitting exclusion of a proposal requesting the elimination of all voting requirements in the company’s charter and bylaws that call for “a greater than simple majority vote,” where the board intended to approve amendments to the company’s articles and seek shareholder approval of such amendments at the relevant annual meeting of shareholders); *Walgreen Co.* (avail. Sept. 26, 2013) (permitting exclusion of a proposal requesting elimination of certain supermajority vote requirements where the company’s elimination from its governing documents of all but one such requirement “compare[d] favorably with the guidelines of the proposal”); *General Dynamics Corp.* (avail. Feb. 6, 2009) (permitting exclusion of a proposal requesting a 10% ownership threshold for special meetings where the company planned to adopt a special meeting bylaw with an ownership threshold of 10% for special meetings called by one shareholder and 25% for special meetings called by a group of shareholders).

In addition, the Staff has permitted exclusion under Rule 14a-8(i)(10), even if the proposal has not been implemented exactly as proposed by the shareholder proponent, where a company has satisfied the essential objective of the proposal. See, e.g., *AGL Resources Inc. (granted on recon., Mar. 5, 2015)* (permitting exclusion of a proposal seeking to grant holders of 25% of the company’s outstanding shares the power to call a special meeting where the board approved, and undertook to submit for shareholder approval, an amendment to the articles of incorporation to grant shareholders holding for at least one year 25% of the outstanding shares the power to call a special meeting); *Textron, Inc.* (avail. Jan. 21, 2010) (permitting exclusion of a proposal requesting immediate board declassification where the board submitted a phased-in declassification proposal for shareholder approval); *Hewlett-Packard Co.* (avail. Dec. 11, 2007) (permitting exclusion of a proposal requesting the ability for shareholders to call special meetings where the board had proposed a bylaw amendment allowing shareholders to call a special meeting unless the business to be proposed at that meeting recently had been, or soon would be, addressed at an annual meeting).

A. The Company’s Current Disclosures Satisfy the Proposal’s Essential Objective

The Company’s Political Spending Disclosure is responsive in full to the Proposal and satisfies the Proposal’s essential objective: to promote openness and accountability in corporate electoral spending.

The Company has made available to the public the Political Spending Disclosure on a page on the Company’s website, entitled “Our Commitment to Informed Public Policy with Proper Openness and Oversight,”³ in which it describes its approach to political spending, its policies and controls related to political spending and the oversight role of the Board and the Governance Committee in such matters.

In particular, consistent with the Proposal, the Political Spending Disclosure describes the policies and procedures for making, with the Company’s corporate funds or assets, contributions and expenditures (direct or indirect) to political campaigns or candidates for public office, or to influence the general public, or any segment thereof, with respect to an election or referendum. Further, this page describes any monetary and non-monetary contributions and expenditures (direct and indirect) used by the Company in such matter, of which there have been none to date.

³ Available here: <https://www.fortinet.com/corporate/about-us/corporate-social-responsibility/commitment-to-informed-public-policy-with-proper-openness-and-oversight>

This disclosure therefore satisfies the Proposal's essential objectives. Thus, even though the Proposal has not been implemented exactly as proposed by the Proponent, the Company has substantially implemented the Proposal. Accordingly, the Company believes the Proposal is excludable under Rule 14a-8(i)(10).

VI. Conclusion

Based upon the foregoing analysis, the Company respectfully requests that the Staff concur that it will take no action if the Company excludes the Proposal from its 2021 proxy materials. Should the Staff disagree with the conclusions set forth in this letter, or should any additional information be desired in support of the Company's position, we would appreciate the opportunity to confer with the Staff concerning these matters prior to the issuance of the Staff's response. Please do not hesitate to contact the undersigned at (650) 335-7613.

Sincerely,

/S/ RAN D. BEN-TZUR

RAN D. BEN-TZUR

Enclosures

cc:

John Chevedden

John Whittle, Esq., Executive Vice President of Corporate Development,
General Counsel and Corporate Secretary
Fortinet, Inc.

Ari Haber, Esq.
Fenwick & West LLP

EXHIBIT A

Correspondence with Proponent

Mr. John Whittle
Corporate Secretary
Fortinet, Inc. (FTNT)
Executive offices
899 Kifer Road
Sunnyvale, CA 94086
PH: 408-235-7700

REVISED 18 DEC 2020

Dear Mr. Whittle,

This Rule 14a-8 proposal is respectfully submitted in support of the long-term performance of our company.

This Rule 14a-8 proposal is intended as a low-cost method to improve company performance – especially compared to the substantial capitalization of our company.

This proposal is for the next annual shareholder meeting. Rule 14a-8 requirements will be met including the continuous ownership of the required stock value until after the date of the respective shareholder meeting and presentation of the proposal at the annual meeting. This submitted format, with the shareholder-supplied emphasis, is intended to be used for definitive proxy publication.

I expect to forward a broker letter soon so if you acknowledge this proposal in an email message it may very well save you from requesting a broker letter from me.

Sincerely,


John Chevedden


Date

cc: Jing Li <jili@fortinet.com>
John Whittle <investors@fortinet.com>

Proposal 4 – Political Spending Disclosure

Shareholders request that Fortinet provide a report, updated semiannually, disclosing the Company's:

1. Policies and procedures for making, with corporate funds or assets, contributions and expenditures (direct or indirect) to (a) participate or intervene in any campaign on behalf of (or in opposition to) any candidate for public office, or (b) influence the general public, or any segment thereof, with respect to an election or referendum.

1. Monetary and non-monetary contributions and expenditures (direct and indirect) used in the manner described in section 1 above, including:
 - The identity of the recipient as well as the amount paid to each; and
 - The title(s) of the person(s) in the Company responsible for decision-making.

The report shall be presented to the board of directors and posted on the Company's website within 12 months from the date of the annual meeting. This proposal does not encompass lobbying spending.

Supporting Statement

As long-term shareholders of Fortinet, I support transparency and accountability in corporate electoral spending. This includes any activity considered intervention in a political campaign under the Internal Revenue Code, such as direct and indirect contributions to political candidates, parties, or organizations, and independent expenditures or electioneering communications on behalf of federal, state, or local candidates.

Disclosure is in the best interest of the company and its shareholders. The Supreme Court recognized this in its 2010 Citizens United decision, which said, “[D]isclosure permits citizens and shareholders to react to the speech of corporate entities in a proper way. This transparency enables the electorate to make informed decisions and give proper weight to different speakers and messages.”

Relying on publicly available data does not provide a complete picture of the Company's electoral spending. For example, the Company's payments to trade associations or other tax-exempt “dark money” groups that may be used for election-related activities are undisclosed and unknown.

This proposal asks the Company to disclose all of its electoral spending, including payments to trade associations and other tax-exempt organizations, which may be used for electoral purposes. This would bring our Company in line with a growing number of leading companies, including Intuit, Electronic Arts and Cognizant Technology Solutions, which present this information on their websites.

The Company's Board and shareholders need comprehensive disclosure to fully evaluate the use of corporate assets in elections.

Please vote to make this valuable information available for our Directors:

Political Spending Disclosure – Proposal 4

[The line above – *Is* for publication. Please assign the correct proposal number in 2 places.]

Notes:

This proposal is believed to conform with Staff Legal Bulletin No. 14B (CF), September 15, 2004 including (emphasis added):

Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(l)(3) in the following circumstances:

- the company objects to factual assertions because they are not supported;
- the company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;
- the company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the company, its directors, or its officers; and/or
- the company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

We believe that it is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.

See also: Sun Microsystems, Inc. (July 21, 2005).

The stock supporting this proposal will be held until after the annual meeting and the proposal will be presented at the annual meeting. Please acknowledge this proposal promptly by email

Personal Investing

P.O. Box 770001
Cincinnati, OH 45277-0045



November 17, 2020

JOHN R CHEVEDDEN

Dear Mr. Chevedden:

This letter is provided at the request of Mr. John R. Chevedden, a customer of Fidelity Investments.

Please accept this letter as confirmation that as of market close on November 16, 2020, Mr. Chevedden has continuously owned no fewer than the share quantities of the securities shown in the table below, since October 31, 2019.

Security Name	CUSIP	Trading Symbol	Share Quantity
Stericycle Inc	858912108	SRCL	50.000
Fortinet Inc	34959E109	FTNT	50.000
United Parcel Service Inc	911312106	UPS	50.000
Firstenergy Corp	337932107	FE	90.000

These securities are registered in the name of National Financial Services LLC, a DTC participant (DTC number: 0226) and Fidelity Investments subsidiary. Please note that this information is unaudited and not intended to replace your monthly statements or official tax documents.

I hope you find this information helpful. If you have any questions regarding this issue or general inquiries regarding your account, please contact the Fidelity Private Client Group at 800-544-5704 for assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew Vasquez", with a long, sweeping flourish extending to the right.

Matthew Vasquez
Operations Specialist

Our File: W610906-16NOV20

EXHIBIT B

Code of Conduct Section Related to Political Contributions

WORKING WITH GOVERNMENTS

Overview

Special rules govern our business and other dealings with governments. Employees, agents and contractors of the company should use all reasonable efforts to comply with all applicable laws and regulations governing contact and dealings with governments, government employees and public officials. If you deal with governments, government employees or public officials, you should undertake to understand the special rules that apply. If you have any questions concerning government relations, you should contact the Legal Department.

Government contracts

You should use all reasonable efforts to comply with all relevant laws and regulations that apply to government contracting. You should refer any contract with any governmental entity to the Legal Department for review and approval.

Requests by regulatory authorities

You must cooperate with appropriate government inquiries and investigations in accordance with law. It is important, however, to protect the legal rights of the company with respect to its nonpublic information. All government requests for company information, documents or investigative interviews should immediately be referred to the Legal Department. You should work with the Legal Department in responding to requests by regulatory authorities to ensure appropriate responses and to avoid inappropriate disclosure of attorney-client privileged materials, trade secret information or other nonpublic information. This policy should not be construed to prevent an employee from disclosing information to a government or law enforcement agency where the employee has reasonable cause to believe that the information discloses a violation of, or noncompliance with, a state or federal statute or regulation.

Improper payments to government officials

You may not offer any payment or business amenity to a public official or a government employee if doing so could reasonably be construed as having any connection with the company's business, maintaining current business or creating new business, even if it has a nominal value or no value at all. You should be aware that what may be permissible in dealings with commercial businesses may be deemed illegal and possibly criminal in dealings with the government. You should contact the Legal Department for guidance.

Whether you are located in the United States or abroad, you are also responsible for fully complying with the Foreign Corrupt Practices Act. The Foreign Corrupt Practices Act makes it illegal to offer, pay, promise to pay or authorize to pay any money, gift or other item of value to any foreign official, political party or candidate to assist the company or another to obtain or retain business. All managers and supervisory personnel are expected to monitor continued compliance with the Foreign Corrupt Practices Act.

Political contributions

The company reserves the right to communicate its position on important issues to elected representatives and other government officials. It is the company's policy to comply fully with all local, state, federal, foreign and other applicable laws, rules and regulations regarding political contributions. The company's assets—including company funds, employees' work time and company premises and equipment—must not be used

for, or be contributed to, political campaigns or political activities under any circumstances without prior written approval.

Lobbying

You must obtain approval from the General Counsel for any work activity that requires lobbying communication with any member or employee of a legislative body or with any government official or employee in the formulation of legislation. Work activity covered by this policy includes meetings with legislators or members of their staffs or with senior executive branch officials on behalf of the company. Preparation, research and other background activities that are done in support of such lobbying communication are also covered by this policy even if the communication ultimately is not made.

Trade restrictions

A number of countries maintain controls on the destinations to which products or software may be exported. Some of the strictest export controls are maintained by the United States against countries that the U.S. government considers unfriendly or as supporting international terrorism. The U.S. regulations are complex and apply both to deemed exports from the United States and to deemed exports of products from other countries when those products contain U.S.-origin components or technology. For example, software created in the United States is subject to these regulations even if duplicated and packaged abroad. In some circumstances, an oral presentation containing technical data made to foreign nationals in the United States or access by foreign nationals to certain technology may constitute a controlled export. The Legal Department can provide you with guidance on which countries are prohibited destinations for company products or whether a proposed technical presentation or the provision of controlled technology to foreign nationals may require a U.S. government license.

EXHIBIT C

Political Spending Disclosure

Our Commitment to Informed Public Policy with Proper Openness and Oversight

Fortinet is committed to contribute to communities in positive ways whereby we are well-positioned to help. For example, we intend to participate in policy discussions that will, among other things, help better inform policymakers with accurate and fulsome information to help further our mission to empower efficient and secure operations for our customers and to help bridge the security skills gap.

Fortinet is committed to ensure proper controls and openness related to its public policy engagement, in part through oversight at the highest levels. Our Board of Directors has assigned oversight responsibility regarding Fortinet’s public policy engagements to the Governance Committee of the Board.

Furthermore, at an executive management level, our General Counsel and Head of Government Affairs are responsible to oversee meaningful high level government affairs engagements and to monitor such activities to ensure proper disclosure and full compliance with all laws.

As an example of one of our policies designed for oversight to help ensure openness, compliance, and alignment with Fortinet’s customer and stockholder political engagement objectives, Fortinet’s Code of Business Conduct and Ethics (“[Code of Conduct](#)”) mandates that all Fortinet employees:

must obtain approval from the General Counsel for any work activity that requires lobbying communication with any member or employee of a legislative body or with any government official or employee in the formulation of legislation. Work activity covered by this policy includes meetings with legislators or members of their staffs or with senior executive branch officials on behalf of the company. Preparation, research and other background activities that are done in support of such lobbying communication are also covered by this policy even if the communication ultimately is not made.

And Fortinet requires its employees to take annual ethics training and to certify annually that each employee has read, understands, and will abide in full by the Code of Conduct.

Political Contributions

To date, Fortinet has not engaged in corporate donations to campaigns for public office or to elected public officials, and Fortinet has no current intention to engage in such donations. And Fortinet’s internal policies expressly require that, absent prior written approval by the General Counsel and Head of Government Affairs, “No political contribution shall be made, directly or

indirectly, with Fortinet's funds or assets, regardless of whether the contribution is legal under the laws of the country in which it is made." Specifically, this includes contributions to 527 organizations and direct independent expenditures.

Fortinet will update these disclosures to be open in the event it decides to change this approach, and, to be prepared in such event, Fortinet has set up controls to ensure proper oversight, compliance and openness in the event Fortinet does start to participate in such donations, where permitted.

Fortinet's internal financial approval processes require high level approvals for any and all potential political contributions by Fortinet.

Fortinet has a strict policy and process around any such contributions/expenditures, and Fortinet's Code of Conduct is clear that "it is the company's policy to comply fully with all local, state, federal, foreign and other applicable laws, rules and regulations regarding political contributions."

And in line with applicable laws, Fortinet's policies prohibit its employees from making political contributions and submitting the associated expense to Fortinet for reimbursement.

Fortinet has not made Federal political contributions. Additionally, Fortinet has not established and does not currently maintain a political action committee (PAC). Additionally, Fortinet does not use company funds or assets to contribute to any PAC. If Fortinet decides to make political contributions in the future, we are committed to appropriate compliance and required disclosure and reporting of these activities, and, if Fortinet changes its approach to consider Federal political contributions, it will take steps to ensure full compliance with legal requirements, such as establishing a PAC, and will also disclose related details on this site.

Openness and Required Disclosures

Fortinet commits to openly disclose any required public reporting and disclosure, such as those required related to political contributions and lobbying. Given there have been no company contributions to individuals running for political office or elected public officials to-date, there are no related disclosures.

With regard to Fortinet's limited state government engagements to-date, Fortinet has filed all required reports related to such engagements, as required by the relevant states' commissions.

As stated, Fortinet intends to openly publish required disclosures going forward, and, at Fortinet's initiative on this website, Fortinet has made voluntary disclosures beyond required disclosures, in keeping with Fortinet's commitment to be open.

Strategic Alliances and Industry Associations

While, to-date based on its review, Fortinet has not, and does not currently intend to, make any indirect contributions for the purpose of participating or intervening in any campaign on behalf of, or in opposition to, any candidate for public office, or for the purpose of influencing the public regarding an election or referendum, Fortinet has engaged in strategic alliances with various third parties for the betterment of the community, for example, to provide improved protection from security threats and sophisticated hackers. As one specific example, Fortinet was a founding member of the Cyber Threat Alliance (CTA), an organization of security companies who, pursuant to the CTA, share threat intelligence among the private company members to help the security industry as a whole protect against bad actors, for the better protection of society. Information on the CTA can be found [here](#).

Fortinet intends to continue engagement with third party strategic allies and industry associations as practical, to, among other things, expand our positive influence on important public policy issues in various areas such as: helping train under-represented groups and women in security skills to help with career development for these individuals while helping bridge the security skills gap, and helping ensure security policy improves to address the ongoing dynamic, sophisticated, and rapidly evolving threat environment.

In line with our commitment to openness and continuous improvement, we are currently evaluating in good faith adding additional disclosure on this website, and we intend to add to the disclosure over time and update the disclosure, as appropriate.