

**US FOODS HOLDING CORP.**  
**Travel and Expense Policy**  
**Effective Date: 7/5/18**

**I. Table of Contents**

---

Purpose and General Principles .....	2
Applicability .....	2
General Requirements .....	2
- Applying for the Corporate Card .....	2
- Documenting Expense Reports .....	3
- Expense Approval Expectations .....	3
- Timeliness of Submitting Expenses .....	4
- Disputed, Fraudulent or Erroneous Transactions .....	4
- Personal and Other Unauthorized Transactions .....	4
- Separations from the Company .....	4
Booking Travel Reservations .....	5
- Online Booking .....	5
- Phone Reservations .....	5
- Travel Booking Fees .....	5
- Incentive Travel .....	5
Transportation Expenses .....	6
- Air Travel .....	6
- Ground Transportation .....	7
- Personal Vehicles Used for Company Business .....	8
Lodging Expenses .....	9
Meal Expenses .....	10
- Travel Meals (Employees Only) .....	10
- Administrative Meals (Including Catering and Meals on Premise) .....	10
- Business Meals (with customer or supplier) .....	10
- General Meal Guidelines .....	10
Entertainment Expenses .....	11
- Employee Entertainment and Team Building .....	11
- Customer and Supplier Entertainment .....	11
Miscellaneous Expenses .....	11
- Business Related Memberships and Dues .....	11
- Business Related Training, Conference and Seminar Expenses .....	12
- Gratuities .....	12
- Passports .....	12
- Gifts .....	12
- Gift Cards .....	12
- Employee Incentives and Prizes .....	12
- Cell Phones .....	12
- Spousal Travel .....	13
- All Other Business Expenses .....	13
Additional Non-Reimbursable Expenses .....	13
Policy Amendments .....	13
Policy Administration .....	13
Policy Violations .....	14
Related Information .....	14

## II. Purpose and General Principles

---

Travel and miscellaneous business expenses represent significant controllable costs of the Company. This policy applies to all US Foods employees and contracted service personnel. This policy provides information related to business travel and appropriate non-travel related business expenses incurred on behalf of US Foods. Employees should also review, and comply with, the Company's Gifts, Entertainment and Travel (GET) Guidelines contained within the [Code of Conduct](#).

Employees are expected to use sound business judgment and common sense when incurring business expenditures on behalf of the company. Prudent use of corporate funds for travel and business expenses will help us achieve our goals.

This policy is subject to change at the discretion of US Foods.

## III. Applicability

---

This policy applies to all US Foods employees and contractors (as applicable). It is the responsibility of each employee to comply with all aspects of the policy and to exercise good judgment as necessary. Employees who do not comply with this policy may be required to pay back the company and are subject to disciplinary actions, up to and including termination.

While this policy is comprehensive, it is impossible to anticipate every situation encountered by the employee. Employees are expected to adhere to the following general principles:

- Exercise good business judgment, incurring expenses carefully and judiciously.
- Submit expense reports noting a valid business purpose and required supporting documentation.
- Maximize preferred supplier programs, rebates and cost savings opportunities as applicable.

The American Express Corporate Card (Corporate Card) is required to be used to pay for travel, entertainment, and miscellaneous business expenses incurred by employees. Employees should not use their personal credit card or cash to pay for a business-related expense. Exceptions to this requirement must be documented by the Employee and include the reason why using the Corporate Card was not possible. Repeated deviations from this requirement will be tracked and escalated to Department Heads and/or Executive Leadership.

For information around operational expenses and the P-Card program, see the P-Card Policy.

## IV. General Requirements

---

### *a) Applying for the Corporate Card*

The criteria for receiving a Corporate Card are:

- Employees expected to travel two or more times annually on company business.
- Employees expected to incur non-travel related expenses (e.g., training, meeting expenses, entertainment expense) on behalf of the company.

Employees should complete the online application and user agreement available on the Expense Reimbursement SharePoint Site (<https://usfoods.sharepoint.com/Finance/Expense/>) in the documents section.

*b) Documenting Expense Reports*

All exempt employees are required to submit expense reports through Concur, the US Foods online travel and expense management system. Concur can be accessed via the following link ([www.concursolutions.com](http://www.concursolutions.com)). To set up a Concur profile, send an email including the employee's name and employee ID number to [ConcurExpenseReports@usfoods.com](mailto:ConcurExpenseReports@usfoods.com).

Non-exempt employees can complete a paper expense report for reimbursement. A copy of the paper expense report template can be found on Expense Reimbursement SharePoint Site (<https://usfoods.sharepoint.com/Finance/Expense/>).

Employees must prepare expense reports with adequate (type) and sufficient (amount) detail to permit determination of the business purpose and reasonableness of the expenditures. Properly documenting expenses is not only a requirement of this policy, but also a requirement for the company to meet applicable IRS regulations regarding the treatment of employees expenses paid or reimbursed by an employer for tax purposes. Employees must support their reports with adequate documentation, including receipts.

- Receipts are required for all expenses greater than \$25.
- Receipts must be detailed in nature. For example, a restaurant receipt must include the meal detail and NOT just the summary of amounts.
- When receipts are not available the employee must select the missing receipt option in Concur. Frequent violations will be tracked and escalated to Department Heads and/or Executive Leadership.
- Adequate business purpose (e.g., detailed reason for the expense) must be noted. This includes selecting the most appropriate option for the Business Purpose from the drop down menu when creating an expense report
- For any instance where this policy requires additional levels of approval or where there are extenuating circumstances where deviation from the policy should be considered, that information must be documented in the comments section of the associated expense report.

In order to make the expense reporting process easier, the “Expense It” app is available to employees with Smartphones (e.g., Android, iPhone). The app feeds receipts directly into Concur and triggers a new report automatically. Users simply take a picture of a receipt and it will be fed into Concur through the app. Additional details, including instruction on how to download see, <https://www.expenseit.com>.

If the card user delegates preparation of the expense report to someone else, the card user who incurred the expenses is fully responsible for the contents of the expense report.

*c) Expense Approval Expectations*

The expense report approver is expected to review the report and exercise due caution to ensure that all expenses included on the report are within policy, contain a valid business purpose, Expense Type is correct and represent legitimate business expenses. Managers are responsible for the expenses they approve.

Prior to approving an expense report, an approver must determine that:

- Expense represents a legitimate business expense and the business purpose is clearly documented.
- Required receipts are attached to the report, valid, detailed, and easy to read.
- Expense would not be considered excessive spend.
- Business Meal Attendees are properly documented when required.
- Expense Type is properly aligned with the type of expenditure (See Expense Type Definitions).
- Expense is recorded to the correct business unit / department.
- Highest grade level employee submitted the group expense.
- Proper documentation of policy exceptions and additional approvals are included, as applicable.

All reports are subject to additional levels of review including by the Tempe Expense Audit Team, Internal Audit Department and the Legal/Compliance Department.

*d) Timeliness of Submitting Expenses*

It is the responsibility of the employee submitting the expense reports to ensure that reports are submitted for processing in a regular and timely fashion to ensure proper accounting. Reports must be submitted within 30 days of incurring the expense. Approvers must conduct review and approval within five days of receiving the report.

If the employee fails to submit expenses in a timely manner, their account will become delinquent. Late fees or interest charges as a result of late expense reports will not be reimbursed. The following escalation approach will be used:

- 1st notification to employee @ 45 days delinquent
- 2nd notification to employee and their manager @ 60 days delinquent
- 3rd notification to employee, their manager and Area Finance Director and/or Department Lead @ 75 days delinquent
- 4th and final notice to employee, their manager, Area Finance Director and/or Department Lead and Legal department @ 90 days. Card cancelation will occur at this time

*e) Disputed, Fraudulent or Erroneous Transactions*

In the event a fraudulent/disputed charge is noted on the card, the employee must contact American Express Card services by calling the 800 number on the back of the card to communicate the disputed transaction for investigation. Once the issue has been resolved, if a credit is issued by American Express, the employee should process the original charge and the offsetting credit on an expense report utilizing the exact same expense category.

*f) Personal and Other Unauthorized Transactions*

**Use of the Corporate Card for personal purchases is a violation of this policy.** If a Cardholder makes an unauthorized purchase by accident, the Cardholder is responsible for making the payment directly to American Express by the payment due date. The Cardholder must also report the transaction as “Personal” in the associated expense report.

Frequent violations will be tracked and escalated to Department Heads and/or Executive Leadership. Violations of these requirements may result in revocation of the card and/or disciplinary action, up to and including termination of employment. Failure to make payment or reimburse the company for unauthorized transactions will be communicated to the employees Department Head. Human Resources, in consultation with the Legal Department, may also seek reimbursement through payroll deductions, as necessary.

*g) Separations from the Company*

When leaving the Company, employees must return their Corporate Card to their manager on or before their last day of employment. For involuntary terminations, it is the manager’s responsibility to obtain the Corporate Card from the employee. Employees leaving the company must also ensure that all expense reports have been submitted. The exiting employee’s manager is responsible for ensuring that the exiting employee’s expense submissions have been processed immediately prior to the Employee’s departure. The employee’s business unit will be responsible for all charges that are uncollectable from the cardholder.

## V. Booking Travel Reservations

---

### a) *Online Booking*

US Foods has contracted with Concur to provide integrated travel and expense software ([www.Concursolutions.com](http://www.Concursolutions.com)). All travelers and travel arrangers are required to utilize Concur for travel reservations. To set up your Concur profile, refer to the instructions on the Travel SharePoint Site (<https://usfoods.sharepoint.com/HR/travel/>) in the documents section.

### b) *Phone Reservations*

For travelers with a Concur profile, phone reservations will be taken by calling Toll Free: 866-206-7998. Phone reservation services should only be utilized under the following circumstances:

- Trip cancellations within 48 hours (trips cancellations in excess of 48 hours can be cancelled online)
- Complex, multi-destination flight arrangements
- International Travel, if approved
- Changes to airfare when the airline ticket has already been issued, or other changes to Concur bookings that cannot be completed online
- Rental car reservations when the preferred provider (National/Enterprise) is not available or cannot be booked online
- Pre-arranged group, meeting, or incentive travel when instructed not to book online
- 24-hour Emergency travel assistance
- Hotel accommodations of \$250 or more per night
- Long-term lodging accommodations
- Direct-billing arrangements (details below)
- Travelers with special needs or who require reasonable accommodation

Unless otherwise prohibited by state law, reservations booked outside the approved channels, Concur or USF Travel will not be reimbursed unless they are the result of extenuating circumstances. Any employee booking travel outside of the approved channels must submit documentation justifying the departure from the approved channels in the associated expense report.

### c) *Travel Booking Fees*

Booking fees are charged to the traveler for each reservation. These fees should be recorded as “Booking Fees” in the associated expense report. The company is charged a higher fee for phone reservations compared to those booked online (using Concur). Therefore, Concur should be used whenever possible.

### d) *Incentive Travel*

Incentive travel, which must be booked via Meetings and Incentives Worldwide (M&IW). Please send an email to [dcollins@meeting-incentives.com](mailto:dcollins@meeting-incentives.com) for more information.

## VI. Transportation Expenses

---

### a) Air Travel

#### Lowest Logical Airfare

The following guidelines determine lowest logical airfare:

- Airfare reservations should be made 14-21 days in advance of travel.
- Use non-refundable tickets and avoid change fees or itinerary changes unless an emergency or business reason dictates a change. Travelers wishing to depart earlier on the day of travel should utilize airlines stand-by procedures at no additional cost.
- Employees are requested to accept the lowest logical airfare offered with an arrival time within two hours of the requested itinerary.
- Employees should book with our preferred airlines, American Airlines and Delta Airlines.
- You may select another carrier when timing/availability and/or cost is favorable.
- The lowest coach class fare is required (even among preferred carriers) for US domestic travel, on the lowest cost carrier available.
- For international travel, employees may fly in Business Class when any flight segment is over six (6) hours in duration (international travelers on connecting flights with flight segments less than six (6) hours must fly coach).

Compliance with air travel guidelines will be tracked and significant, recurring deviations will be escalated to Department Heads and/or Executive Leadership.

#### Changes and Cancellations

Employees should promptly review their travel itinerary for accuracy upon receipt. Tickets may be voided within 24 hours of issuance due to an error or change of plans. If your trip is cancelled, you must contact USF Travel immediately and no later than your scheduled departure. This will ensure that the cost of the airline ticket will not be forfeited and may be applied elsewhere, and the hotel no-show charges not be incurred.

To avoid change fees travelers should:

- Only book travel 14-21 days in advance of travel.
- Not make changes to booked airfare unless an emergency or business reason dictates such a change.
- Utilize the airline's same day stand-by policy change to an earlier flight on the same day of travel.

Change fees are reimbursable, but the business reason for the change must be documented in the expense report. Employees with frequent or excessive change fees will be tracked and escalated to Department Heads and/or Executive Leadership.

#### Checked Baggage Fees

If traveling for 3 nights or less, employees will not be reimbursed for checked bags. The Company will reimburse for baggage fees based on the following criteria:

- Traveling 4-7 nights = 1 checked bag.
- Traveling more than 7 nights = 2 checked bags.
- Oversized/Overweight bag fees are not reimbursable.

#### Preferential Seating

US Foods will not reimburse for preferential/premium seating.

#### Onboard Meals

Onboard meals are reimbursable within the guidelines set in the Meal Expense section of this policy.

### In-flight Internet Access

In-flight internet fees are not reimbursable for flights less than two hours (except for employees based in California where work required internet access is required on flights less than two hours). Flight details should be documented in the comments section of the expense report to show that the expense meets the reimbursable criteria.

### Non-Reimbursable Air Expenses

- Monthly in-flight internet subscriptions
- Airline club-level privileges
- TSA Global Entry / Precheck
- Fast Track, Early Boarding, and Early Bird Check-In Fees
- In-flight or in-room movies, headsets, reading materials or beverages
- Air travel insurance and personal trip insurance

US Foods will allow for deviations from the standards set in the policy as appropriate for medical conditions, disabilities, religion and in other special circumstances. Deviations should be documented in the expense reports as necessary.

### *b) Ground Transportation*

Employees should consider all modes of ground transportation available and select the lowest logical mode based on cost.

- Travelers should use courtesy buses or other complimentary transportation between the hotel and airport whenever possible.
- A taxi, ride-sharing, or shared shuttle service should be used when it costs less than parking or renting a car.
- If practicable and more economical, rail travel should be booked instead of air travel or driving.
- When parking a vehicle at the airport or otherwise, long-term lots should be used where available.

### Local Transportation

Employees will be reimbursed for necessary public transportation, taxis, ride-sharing (e.g., Uber, Lyft) and shared shuttle/limo services when cost justified. The most cost-efficient means should always be used when traveling between home/office and the airport. Pre-booked 'premium' limos/black-cars/car services are not reimbursable for single rider trips unless no other options are available or if are less than a taxi.

### Rental Cars

National/Enterprise are the preferred vendors for US Foods. When renting a car for business, the following requirements apply:

- Refuel the vehicle prior to returning the car to the rental lot. Decline the refueling option.
- Compact or Intermediate cars must be rented when traveling alone unless a free upgrade is available.
- Full size cars are approved when three or more employees are traveling together.
- Decline additional insurance coverage, as it is included in our corporate rates with the preferred vendors.
- Use of any handheld communication device while driving is prohibited. Employees must comply with Federal, State and local laws regarding the use of hands-free communication devices while driving. Employees are required to pull off to the side of the road and safely stop the vehicle before placing or accepting a call or to read/send a text message or email.
- US Foods employees that are involved in an accident or have damaged a rental car while on company business are required to:
  - Contact police and if injured seek immediate medical attention.
  - Obtain copy of incident record or incident number.

- Promptly notify the car rental company and complete their required claim forms noting your version of events.
- Collision and Liability coverage is included in our car rental rates. The only claim you need to file is with the car rental company directly.
- Contact Safety Department to notify them of the accident.

Employees are encouraged to enrollment is National's Emerald Club loyalty program to make the rental experience faster and more convenient ([https://www.nationalcar.com/en\\_US/car-rental/loyalty/enrollment/welcome.html](https://www.nationalcar.com/en_US/car-rental/loyalty/enrollment/welcome.html)).

#### Tolls

Tolls incurred on company business are reimbursable. Tolls are to be itemized and the business purpose of the trip must be documented.

#### Parking

Parking fees incurred on company business are reimbursable.

- When parking a vehicle at the airport or otherwise, long-term lots should be used where available.
- Valet Parking should not be used when self-parking is available.
- A taxi, ride-sharing, or shared shuttle service should be used when it costs less than parking or renting a car.

#### Non-Reimbursable Ground Transportation Expenses

- Rental car club privileges.
- Replenishment fees or monthly fees related to Toll Passes, EZ Pass, I-Pass or any type of pre-paid tolls. Tolls should be individually expensed as incurred.
- Optional insurance offered by car rental companies except when traveling abroad or required by law.
- Rental/Purchase of GPS units or monthly subscriptions fees.
- Rental/Purchase of satellite radio units or monthly subscriptions fees.
- Any personal fines incurred as the result of driving, parking or toll violations.

#### *c) Personal Vehicles Used for Company Business*

##### Runzheimer Program

Some employees, based on job code, driving more than 7,000 miles per year, or other criteria, will be required to track, record and submit their miles via a separate provider, Runzheimer. See the separate [Runzheimer work procedures](#) for additional details and requirements.

##### Personal Mileage Reimbursements (Non-Runzheimer)

Business related mileage will be reimbursed based on the IRS rate for mileage reimbursement. The origin, destination and business purpose of the trip must be documented in the expense report. General guidelines are as follows:

- Travel to and from your work location is not considered business travel and mileage will not be reimbursed.
- Business travel mileage should be calculated based on the difference between normal home-to-work commute distance and the home-to-destination commute distance when your work day is not starting at the office. For example: If an employee normally drives 20 miles from home to office, but on a given day drives 25 miles from their home to a customer location, only five (5) miles of that distance is reimbursable.
- Work-from-home employees (i.e., those who do not regularly commute to a USF location for work) who are required to drive to any location (e.g., airport, customer) will only be reimbursed for mileage above 40



miles round trip (except in California where employees who work from home will be reimbursed for actual miles driven).

- Employees with special circumstances should notify their manager for preapproval.
- Personal automobile expenses (such as gas, oil, maintenance, repairs, car washes, auto insurance) are not reimbursable outside of the regular mileage reimbursement received.

Employees should consider the lowest cost alternative when incurring expenses. Rental cars should be considered if the cost of the rental car and fuel is less than the cost of mileage. In certain locales, associates may be able to have the rental car delivered to their home or work location to avoid expenses associated with traveling to the rental office.

## VII. Lodging Expenses

---

USF has contracted with preferred hotels in key markets. Employees must stay in company-preferred hotels whenever possible. In the event no preferred hotel is available, reserve a room at a moderately-priced hotel. Room upgrades, e.g. a suite, are not reimbursable. Hotel rates of \$250 or more will require USF Travel support for booking.

If traveler plans change which requires cancellation within the hotel limits, please contact USF Travel to avoid cancellation fees.

### Laundry

Laundry/pressing services for business trips of 5 or more consecutive nights (long-term housing excluded) is reimbursable.

### Hotel Telephone/Online Fees

Whenever possible, use a mobile phone rather than a hotel phone for telephone calls. In most cases, our preferred hotel rates include internet access. MiFi devices for internet access are available if required - please check with your department to secure a MiFi device for travel.

### Non-Reimbursable Lodging Expenses

- Hotel rewards program expenses
- Fitness or spa services
- Sundry items (including but not limited to toiletry items)
- Hotel no-show charges
- In-room movies
- In-room minibar
- purchases
- Pet fees or charges
- Additional expenses for related personal travel (e.g., additional hotel nights)

US Foods will allow for deviations from the standards set in the policy as appropriate for medical conditions, disabilities, religion and in other special circumstances. Deviations should be documented in the expense reports as necessary.

## VIII. Meal Expenses

---

### a) *Travel Meals (Employees Only)*

Meals are reimbursable if an employee is traveling on Company business. When two or more employees are traveling together, the most senior level employee in attendance should pay for the meal. The “Group Travel Meals” expense type should be used, and all attendee names must be documented. Alternatively, the employees may opt to request individual checks and expense only their portion of the meal using the “Individual Travel Meals” expense type.

Travel Meal Limits: US Foods has determined that in most instances an employee acting reasonably will not incur daily meal expenses during a business-related trip, including tax and gratuity, in excess of \$50 (per person). Alcoholic beverages are included in the daily limit and good judgment should be exercised at all times.

### b) *Administrative Meals (Including Catering and Meals on Premise)*

Occasional internal business meals are reimbursable for purpose of discussing internal initiatives, employee performance, mentoring etc. When business needs require meals in conjunction with an on-site business meeting, such meals are reimbursable. Working meal costs are permitted in the rare cases when an employee is required by their manager to work through a meal, (e.g., meeting, training, special projects, on a weekend or holiday).

Administrative Meal Limits: US Foods has determined that in most instances an employee acting reasonably will not incur administrative meal expenses, including tax and gratuity, in excess of \$15 for lunch / \$25 for dinner (per person).

### c) *Business Meals (with customer or supplier)*

The Company will reimburse employees for reasonable and necessary meal expenses incurred for customers, suppliers, and accompanying employees. Such activities must include a business-related discussion before, during, or after the meal which should be documented in the expense report.

Business Meal Limits: US Foods has determined that in most instances an employee acting reasonably will not incur business meal expenses, including tax and gratuity, in excess of \$50 (per person). Alcoholic beverages are included in the limit and good judgment should be exercised at all times.

### d) *General Meal Guidelines*

- US Foods will allow for reasonable deviations from the standards set noted above. Deviations should be documented in the expense reports, as necessary. Example deviations include:
  - Breakfast not included in cost of hotel. (Note: Breakfast has been included in the negotiated rate for many of our preferred hotel properties. Employees should take advantage of the free breakfasts as possible to reduce out of pocket travel expenses.)
  - Additional meal costs associated with medical conditions, disabilities, and/or religion.
  - Travel to high cost cities.
  - Room service costs where rental car was not obtained for the trip.
- The daily meal limit for Individual Travel Meals and the per meal limits for Group Meals are not per diems (i.e., the expenses should be recorded at actual cost with the request for reimbursement limited at the appropriate threshold). Per diems are prohibited unless required in accordance with local law or employment contract.

- Employees will not be reimbursed for meals while working from home or when commuting to and from the office or customer/vendor location.
- Employees who are dining out on Company business are encouraged to patronize US Foods customers.
- Frequent violations of the meals limits will be tracked and escalated to Department Heads and/or Executive Leadership.
- In the event an employee's total meal purchases exceed the limit and the deviation from the limit is not approved by their manager, the amount in excess of the limit should be itemized and marked as "Personal". The employee is responsible for making a payment directly to American Express by the next payment due date for all amounts marked as "Personal" as a result of exceeding the meal limits.

## IX. Entertainment Expenses

---

### *a) Employee Entertainment and Team Building*

All entertainment, celebratory and teambuilding expenses (that are not meals) must have approval from the Department Lead. These events include, but are not limited to, holiday celebrations, golf outings, or parties. Employees are to be mindful of the cost per attendee and ensure that the expense is directly related to company business and employee engagement. Adult entertainment venues are not acceptable for employee entertainment or team building.

### *b) Customer and Supplier Entertainment*

All customer and supplier entertainment must be conducted within the boundaries of the Company's Gifts, Entertainment and Travel (GET) Guidelines contained within the Code of Conduct. The GET policy outlines significant restrictions on GET exchanges with government and healthcare customers that must be followed. Consult with Legal or Ethics and Compliance for assistance.

Reasonable entertainment expenses are reimbursable under certain conditions for employees whose positions require that they entertain customers or suppliers. Entertainment expenses are reimbursable only if they are directly related to the active conduct of the Company's business or if they are associated with the Company's business when directly preceding or following a business discussion. Such expenses are reimbursable to employees when they can reasonably be expected to accomplish some useful purpose connected with the Company's business. Taking customers/suppliers to an adult entertainment venue and seeking reimbursement is prohibited.

The costs in connection with taking customers or suppliers to sporting events, theaters, etc., including that of the employee, is to be included as Entertainment Expense rather than Business Meals. When the event includes a meal, if possible, itemize the cost of the meal and record as "Business Meals (with customer or supplier)".

## X. Miscellaneous Expenses

---

### *a) Business Related Memberships and Dues*

Employees may be reimbursed for dues and expenses associated with membership in professional societies or trade-related organizations. The Legal Department should review an organization's bylaws and charter before a "first time" membership is secured and thereafter if such charter or bylaws are revised.

*b) Business Related Training, Conference and Seminar Expenses*

The Company will reimburse reasonable expenses, whenever it requests an employee to participate in courses, institutes, seminars, etc., conducted for educational purposes (as contrasted to voluntary education which is covered by a separate Human Resources policy on tuition refund). Any costs for the tuition reimbursement program are to go through Human Resources not Travel and Entertainment.

*c) Gratuities*

Other gratuities for customary business services (e.g., cleaning, valet) are reimbursable up to \$5/day only.

*d) Passports*

Passport and Visa fees for required international travel are reimbursable.

*e) Gifts*

Flowers and gifts for condolences, congratulations, etc. are reimbursable provided that they are for an employee or the employee's immediate family and have been approved by the Department Lead. Gifts should typically not exceed \$75 and the name of the recipient of the gift must be stated in Concur when submitting for reimbursement. When purchasing gifts for customers/vendors, employees must comply with, the Company's Gifts, Entertainment and Travel (GET) Guidelines.

*f) Gift Cards*

Due to potential tax implications and risk of fraud, gift cards should not be purchased by employees. All gift card purchases must be made through the Corporate Travel Department. Requestors must fill out the required gift card procurement form located on the Travel SharePoint Site (<https://usfoods.sharepoint.com/HR/travel/>). Requestors will be required to track each gift card and provide the name of the recipient of each card. Based on IRS guidelines, the value of the gift card may be included as taxable income and the associated taxes deducted by Payroll.

*g) Employee Incentives and Prizes*

Due to potential tax implications and risk of fraud, purchases made for employee incentives or prizes (e.g., market promotions, employee engagement initiatives) must be carefully documented in the expense report. All purchases will be required to be individually tracked, including the name of the recipient and the value of each item. Based on IRS guidelines, the value of the item may be included as taxable income and the associated taxes deducted by Payroll. Associated expense reports must contain a clearly documented business purpose, list of recipients, and documentation that Payroll has been informed of the potential tax implications. The Employee Entertainment / Events / Recognition or SPIFFs expense types will typically be used to record these expenses. If you have questions about how to correctly track/record the expenses, reach out to the Finance team associated with your business unit for guidance.

*h) Cell Phones*

The US Foods Mobile Phone Reimbursement Program is in place to reimburse eligible employees for voice, text, and data charges associated with the business-related use of their mobile phones. Employee reimbursements for that program are made directly through the employee's payroll statement and should NOT be expensed through Concur. See the [US Foods Mobile Phone Reimbursement Policy](#) for additional details.

In some cases, employees specifically excluded from coverage under this policy may be required to submit cell phone related expenses for reimbursement through Concur. The employee must document the business purpose for the expense and Manager approval in the expense report.

*i) Spousal Travel*

The Company will reimburse the incremental travel and entertainment expenses incurred by a non-employee spouse (or spousal equivalent, or guest) of a company employee only if the expenses are incurred for company business purposes. The expenses must be recorded as “Spousal Travel Expenses” must contain a valid business purpose documented in the comments and must be approved by the Department Lead.

The value of incremental reimbursed travel and entertainment expenses incurred by a non-employee spouse (or spousal equivalent, or guest) of a Company employee will be included as imputed income in the employee’s taxable compensation.

*j) All Other Business Expenses*

For all other types of business expenses, cardholders must clearly document business purpose in the expense reports and select the most closely associated Expense Type (refer to Expense Type Library for guidance). If you have questions about how to correctly record the expenses, reach out to the Finance team associated with your business unit for guidance.

## XI. Additional Non-Reimbursable Expenses

---

In addition to the non-reimbursable items noted throughout the policy, the following are some additional examples of expenses that will not be reimbursed (not all inclusive):

- Lost or stolen items. (For lost luggage costs, employees should make claims under American Express Corporate Card.)
- Additional expenses for related personal travel (additional hotel nights, meals, extended rental car, etc.).
- Dues for non-job-related organizations.
- Charitable contributions without corporate approval.
- Purchase of briefcases, laptop cases, luggage or similar items for personal use.
- Wireless and computer accessories to replace those forgotten or lost while traveling.
- Purchase or rentals of formal wear for Company-related business or social events.
- Boarding of pets.

## XII. Policy Amendments

---

This policy supersedes all previous versions of the Travel and Expense policy. Future changes to the policy will be documented within.

## XIII. Policy Administration

---

The Indirect Procurement and Expense Audit departments are responsible for the development, implementation, training and oversight of this Policy and the compliance procedures outlined above.

Internal control objectives, and assigned responsibilities is achieved through the cooperative effort of the Executive Leadership Team, together with their respective designees, who are responsible for incorporating these objectives into routine procedures and department controls.

Changes to this Policy will be maintained by the Indirect Procurement and Expense Audit teams. All changes must be approved by the CIO, CFO, VP of Internal Audit, and VP of Ethics and Compliance.

## XIV. Policy Violations

---

Employees are responsible for understanding and complying with the requirements of the Travel and Expense Policy. Violations of this policy will result in appropriate disciplinary actions, up to and including revocation of the Corporate Card (if applicable) and/or termination of employment.

If you are uncertain whether a certain type of purchase is allowable under the requirements of this policy, discuss the matter with your manager, department head or the Expense Support team (details below in Key Contacts). Employees must promptly report actual or suspected violations of the Travel and Expense Policy to their direct supervisor, another manager, Human Resources or to the Check-in Line by visiting: **USF Employee Check-in Line**. Employees can also call 888-310-7716 to report a concern on a secure and confidential line.

## XV. Related Information

---

*a) Related Policies and Resources*

- P-Card Policy
- Code of Conduct
- Mobile Reimbursement Program Policy
- Runzheimer Vehicle Reimbursement Policy
- Employee Handbook

*b) Key Contacts*

- USF Travel (Travel and Transport)
  - Email: [usfoods@tandt.com](mailto:usfoods@tandt.com)
  - Phone (24 hours): 866-206-7998
- Expense Report Support
  - Email: [Concurexpensereports@usfoods.com](mailto:Concurexpensereports@usfoods.com)
- Employee Check-in Line
  - URL: [USF Employee Check-in Line](#)
  - Phone: 888-310-7716