

**SECTION: 17.8 TRAVEL AND ENTERTAINMENT****DATE OF ISSUE: 12/15/08****REVISION HISTORY:****Purpose:**

To standardize a General Travel and Entertainment Policy across CCL. Please refer to your site local policy for more specific information.

Policy:

It is the policy of CCL to reimburse employees for travel and related expenses (transportation, lodging, meals and other related services) incurred on behalf of CCL for essential business purposes. Expense reports are to be submitted for business travel and entertainment expenses and will be settled through employee reimbursement or, in certain instances, direct payment of expenses. All travel and entertainment expenses are to be uniformly and properly accounted for and authorized. Employees should exercise good judgment when submitting expense reports and exclude any items that were not a part of the business travel requirements. Excessive expenses will not be reimbursed.

Entertainment expenses must directly precede, include, or follow a substantial and bona fide business discussion. A business benefit must be derived or expect to be derived from the entertainment. The most senior level employee present must pay for the expense and submit it on an expense report. Original receipts must be attached supporting the expense. Any misrepresentation or falsification of expenses or supporting documentation such as receipts, bills, etc. will be cause for disciplinary action up to and including termination of employment.

Responsibility:

All employees are responsible for exercising good judgment and discretion in spending CCL funds. All members of management are responsible for the reasonableness, propriety and necessity of expenses they approve, and are responsible for seeing that employees under their jurisdiction are knowledgeable and fully aware of CCL's travel policy and procedure.

The local finance department is responsible for auditing, reimbursing and accounting for expense reports in accordance with CCL policy and counseling employees on interpretation of the travel policy.

**Responsibility (continued):**

All employees are responsible for completion of the Expense Report form in such a manner that expenses are properly substantiated in accordance with Company and regulatory requirements. Noncompliance with this policy will be considered sufficient reason to deny or delay reimbursement of the expenses.

Corporate Credit Cards:

Employees who travel or otherwise incur business expenses frequently should use a CCL corporate credit card for all expenses (providing the site has company credit cards), unless the business establishment does not accept the card. Only business related charges may be charged to the CCL corporate credit card. The CCL corporate credit card should be issued in the employee's name and the credit card invoice should be sent directly to the named employee. At no time should credit cards be invoiced solely to CCL.

Employees are responsible for seeking expense reimbursement and making all related credit card payments in an appropriate time period.

Employees who do not travel regularly and who do not possess a CCL corporate credit card should use an alternate payment method (personal credit card, cash, cash advance), to settle business expenses.

Reimbursable Expenses:

Employees are to use approved travel agencies or on-line booking services to make all reservations for air travel, hotels/motels, and rental cars. Employees should schedule travel as far in advance as possible to take advantage of any special rate offered by the airlines.

Transportation Costs:

Air Travel: All air travel arrangements must be pre-approved before ticketing, by the employee's supervisor. Employees should also follow the guidelines listed below:

- Employees will travel coach class unless otherwise approved by CCL Operations in Framingham or as specified in the last bullet below.
- Employees should, where possible, purchase non-refundable tickets, which generally allow changes for a fee with advance notification of the change.
- The same airline should be used in both directions, as it is likely to reduce the overall fare.

**Air Travel (continued):**

- Employees may upgrade their travel arrangements at their own expense. Cost of upgrade coupons purchased is not reimbursable, unless approved as specified in the last bullet point below.
- Tickets should be issued via the "E-ticket" format whenever available.
- If a trip is cancelled or a ticket is missing, notify the travel or on-line booking agency immediately. Refunds are not automatic on e-tickets; the agency will advise you of the credit options.
- The company will not pay for spouse/companion travel unless approved as specified in the last bullet point below.
- If an employee chooses to extend a trip due to personal reasons, all expenses attributed to this delay, including but not limited to food and lodging, will be paid by the employee.
- Expenses related to an extension of a trip will be reimbursed only if it results in a lower trip cost to the company, (i.e., Saturday night stay fare). Documentation, such as a ticket quote for a Friday return flight, should be included with expense report.
- Upgrades from economy class, the purchase of upgrade coupons, and company paid spouse/companion travel is not permitted unless pre-approved by the President and CEO – CCL Industries; the Senior Vice President of Finance, IT and Administration – CCL Operations; the President – CCL Industries North America; the VP-GM of Healthcare/Specialty Europe; the Group VP – Food and Beverage WW; or the VP-MD of CCL Label Asia.

Rental Cars: Rental Cars should be booked through an approved Travel or on-line agency. When renting, the size of the car should be based on the number of people traveling, luggage, and length of the trip. Most rentals should not exceed a mid-size range car. Rental cars should be shared when traveling to common destinations with other CCL employees.

Decline the Personal Accident and the Collision Damage Waiver coverage as CCL carries insurance to cover employees while traveling on business. CCL will not reimburse for additional insurance coverage. Travelers should also **decline the Fuel Purchase Option** and refuel rental cars prior to return whenever possible to avoid the costly agency gas charges.

Personal Cars: Mileage for the use of an employee's personal car on CCL business will be reimbursed at the applicable nationally mandated rate. Employees attending local seminars or training located off-site or traveling to another location will be reimbursed for miles traveled *in excess* of their normal daily commute.



Parking and Tolls: Parking expenses and toll charges incurred by employees when traveling on Company business are reimbursable. Airport parking is fully reimbursable, but employees are required to utilize the most cost-effective transportation to and from airports.

Reimbursable Expenses (continued):

Lodging: Hotel expenses incurred when traveling on CCL business are reimbursable. Accommodations should be obtained whenever possible at a reasonably priced hotel where CCL has contracted a corporate rate.

Meals and Customer Entertainment: CCL expects employees to use discretion while traveling and entertaining customers, business associates and other CCL employees. **No per diem exists for meals. Only actual expenses incurred, accompanied by a receipt, will be reimbursed.**

- In the event two or more employees from the same department eat together, the most senior person should pay for the meal and report the expenses on one expense report with a single receipt for documentation.

Telephone: Business calls made outside Company facilities are reimbursable. The original phone bill or other original receipt (e.g., hotel bill) must be submitted with the expense report. Cellular business calls are reimbursable with proper documentation.

Laundry and Valet Services: Laundry and valet expenses are reimbursable at a reasonable rate on out-of-town trips of more than three days duration.

Miscellaneous Expense: Other reasonable expenses incurred by employees while on Company business are reimbursable when fully documented and explained on an expense form.

Non-Reimbursable Expenses:

The site controller will audit expense reports for compliance with CCL policy and will identify and explain those expenses that are non-reimbursable. Disputes over non-reimbursable expenses will be reviewed with the employee's manager and above for determination of payment.

Expenses specifically not reimbursable are those which:

- Lack required documentation.
- Demonstrate no clear business purpose or are considered "excessive".
- Are fees for airline lounge clubs.
- Are incremental expenses associated with spousal or extended personal travel unrelated to business.

**Non-Reimbursable Expenses (continued):**

- Are not actually incurred (such as per diems).
- Are personal expenses (toiletries, personal entertainment).
- Are related to traffic and parking tickets and court costs.
- Are credit card annual fees outside of your CCL corporate credit card.

Loss of personal property, such as luggage or attaché cases, including items stolen from rental cars or hotels is not reimbursable expenses as a general rule. Losses of this nature may be covered under the traveler's CCL corporate credit card, their homeowner's or personal property insurance policies, or under CCL's general insurance depending on the deductibles. If the loss is not covered, and the theft was no fault of the employee, reimbursement is at the discretion of the site general manager and controller.

Hourly Employee's Pay:

Hourly employees who are required by CCL to travel on time they are not normally scheduled to work will be paid for this time as if it is scheduled work time. Scheduled work time does not include layover or delay. Travel time will be paid only to the extent the employee cannot travel during the normal workweek. When travel is scheduled to prolong a trip into the weekend, employees will not be paid.

Employees will be paid at their normal rate of pay for the hours worked in the day regardless of where the work is performed. The hours are counted from the time the employee leaves their home until they arrive at their hotel.

Work and/or travel performed on holidays will be paid at the regular rate plus applicable holiday pay. Overtime will be paid according to the employee's local plant policy.

Expense Reports:

All employees should use either the CCL provided Expense Report to record and submit their expenses or a site alternative that allows for proper documentation of expenses and accurate recording in the company ledgers.

Expense reports are to be supported by the following documentation:

- Hotel bills on their regular preprinted forms, itemizing all services.
- Invoices covering meeting, luncheons, banquets, and other expenditures, itemizing all services.
- Receipts for expenses where the total expenses are \$US 25.00 or more.
- Receipts for all rail or plane transportation.
- Receipts for gasoline, oil and miscellaneous service items when purchased for CCL-owned vehicles.



Expense Reports (continued):

Expenses including meals for groups should be noted on the Expense Report form and each person involved should be listed.

Any reasonable purchases made as gifts for customers need to be clearly identified and include the name of the customer and the individual receiving the gift.

Expense reports should be prepared immediately (no later than one month after return from travel) by the employee and submitted to his/her supervisor for approval. Approved expense reports should be submitted at least monthly to the local finance department for audit and payment. Money owed to CCL should be sent along with the expense report in the form of a personal check or money order. Reimbursement to the employee should occur on next check run after submission and approval.

Foreign Currency:

All expenses must be adjusted to reflect the cost in the currency used by that location and the conversion must be noted on each receipt based on the current rate of exchange.

Attachment: Expense Report (example only)