

 <b>Starbucks Policy Office</b>	GOVERNANCE TOOL: Non-Partner Travel Procedure – U.S. and Canada	PROCEDURE NUMBER: ACC:2013:02.05.06.02 SUPERSEDES: ACC:2011:02.05.06.02
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# Non-Partner Travel Procedure – U.S. & Canada

## INTRODUCTION

Starbucks is committed to the safety and well-being of all non-partners traveling on company business. The *Non-Partner Travel Procedure – U.S. and Canada* supports the *Travel and Business Expense Standard – Global* by meeting that commitment while prudently managing the costs and risks associated with non-partner travel and the reimbursement of associated business expenses.

While the intent of this Procedure is to address the most common travel scenarios, unique situations may arise; those situations will be addressed within the spirit of this Procedure.

## PURPOSE AND SCOPE

This Procedure applies to all non-partners who incur travel and/or business expenses on behalf of Starbucks Coffee Company. This Procedure may be impacted by additional contractual requirements Starbucks may have with a non-partner’s organization.

All partners who are responsible for authorizing the travel of non-partners must provide this Procedure to the non-partners and ensure that non-partners comply with the requirements of this Procedure. Starbucks may choose not to reimburse for expenses that do not comply with this Procedure.

This Procedure defines:

- The requirements for booking and reimbursing all business travel
- Acceptable and reimbursable expenses
- Invoicing and documentation requirements

A business unit/market has the authority to make their travel expectations more restrictive but not less restrictive than the standard.

## DEFINITIONS

### Authorized Travel Approver

A Starbucks senior vice president or above, within the Starbucks manager’s cost center

### Manager

Starbucks manager responsible for non-partner’s work assignment, expenses and procedure compliance

### Non-Partner

Contingent workers, independent contractors, professional service providers, outsourced service providers, or candidates for employment (Newly hired partners who are relocating and traveling prior to their effective start date must refer to the *Global Relocation Standard*.)

### Travel Management Company (TMC)

The designated travel agency that provides corporate travel services

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## REQUIREMENTS

### General Requirements

Non-partners who travel and/or incur business expenses, and managers who approve requests and expenses, are responsible to ensure expenses are:

- directly related to Starbucks business;
- obtained at a price consistent with Starbucks standards;
- allowable in accordance to this Procedure;

Non-partners are eligible for Starbucks-provided direct-bill services for airfare, lodging and auto rentals. Non-partners must pay for any non-direct billed services and other travel expenses with their own funds.

Starbucks will reimburse non-partners for actual travel expenses paid with their own funds that are in compliance with this Procedure after the appropriate documentation is provided as outlined in the Invoicing/Documentation section.

### Travel Arrangements

Starbucks requires pre-trip approval prior to arranging any business travel. The Starbucks manager is responsible for obtaining approval prior to booking.

Non-partners must book all business travel using the Starbucks designated Travel Management Company (TMC), unless approved otherwise by the Starbucks manager.

Non-partners must have a travel profile with the TMC prior to making travel arrangements. The Starbucks manager must contact Travel Services to request a profile. Non-partner travel may then be booked by the non-partner or a Starbucks travel arranger. All simple domestic or international reservations must be booked online, either through the designated online booking tool (where available) or approved mobile booking tool. Non-partners may use TMC travel consultants to assist in arranging complex itineraries, including international reservations, and in markets without a designated booking tool.

Starbucks has negotiated corporate rates and discounts with specific airlines, hotels and rental car companies. These preferred suppliers are the first choice when booking travel for Starbucks business.

Non-partners must make reservations at least 14 days in advance of the travel date to ensure availability and to increase the likelihood of acquiring the lowest fares.

Non-partners who travel internationally for business must adhere to all documentation (e.g. passport, visa) and vaccination requirements.

Non-partners must adhere to all travel safety and security guidelines, as instructed by Global Safety and Security.

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Starbucks discourages non-partners from broadly sharing business travel itineraries on social media sites. Non-partners should only forward itinerary information to business or personal contacts as necessary.

Non-partners are allowed to participate in travel supplier loyalty programs (e.g., airlines, hotels); however, this participation may not influence booking decisions or increase cost to Starbucks.

Non-partners may not use any business travel cost savings for personal gain or incentive.

### **Transportation**

Starbucks will reimburse for approved transportation expenses for business travel via air, rail and/or ground transportation as specified below.

#### Air Travel

Business trips must be booked at the lowest reasonable fare.

Economy class is the approved class of air travel for all non-partners.

Non-partners may use personal upgrades provided there is no additional cost to the company to redeem or qualify for the upgrade.

#### Rail Travel

Economy class is the approved class of rail travel for all non-partners.

#### Other Air/Rail Expenses - Reimbursable

- Reasonable and necessary bag fees
- Basic seat assignment fees in economy cabin (when seat assignment is not included in airfare)
- In-flight entertainment in economy class on intercontinental flights (up to USD \$20 or equivalent)
- In-flight internet access (used for business purposes)

#### Other Air/Rail Expenses- Non-Reimbursable

- Club memberships, fees or daily passes
- Flight insurance
- Preferred seat assignment fees or upgrade fees for preferred seating

#### Ground Transportation

Non-partners may use rental cars if other surface transportation (e.g. reasonable taxi, shuttle services, railway or subway) does not meet the non-partner's business requirements at a lower overall cost.

Compact or smaller is the standard car rental classification.

The use of hybrid and electric vehicles is encouraged when renting a vehicle or utilizing taxi or other car services.

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When renting a vehicle, non-partners must decline the option to pre-pay fuel and refuel the vehicle prior to return.

Non-partners who rent vehicles for Starbucks business must confirm that their personal automobile insurance or organization will cover any loss not covered by the car rental agreement. Non-partners must provide proof of coverage to Starbucks, if required. Starbucks does not reimburse for insurance coverage expenses.

Non-partners may use a rental vehicle instead of their personal vehicle if the fully burdened cost (rental, fees, refuel) of the rental vehicle is less expensive than the mileage reimbursement expense associated with a personal vehicle.

Non-partners who use personal vehicles for Starbucks business must maintain at least the minimum insurance coverage required by their state/province. Non-partners must provide proof of coverage to Starbucks, if required. Starbucks does not reimburse for insurance coverage expenses.

Non-partners should use low cost, reasonable and safe options for parking.

Other Ground Transportation Expenses - Reimbursable

- Navigation systems (if a business need exists)
- Parking fees and tolls

Other Ground Transportation Expenses – Non-Reimbursable

- Car washes, car repair or maintenance for personal car
- Insurance deductibles
- Mileage driven in a rental vehicle
- Monthly or reoccurring parking fees (unless defined position benefit)
- Traffic, speeding or parking tickets

**Mileage / Commute Reimbursements**

Starbucks uses the standard government guidelines to reimburse non-partners for business related miles driven in their personal vehicle.

Starbucks will reimburse for all business miles driven in a personal vehicle, less the miles the non-partner normally travels to their designated work location (“commuter deduction”).

**Lodging**

Starbucks will reimburse for approved lodging expenses for business travel.

Non-partners may book a hotel if they cannot reasonably go to and from the location in a single day.

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Starbucks may provide an apartment or short-term housing for business travel or assignments that are greater than one month; non-partners should contact Travel Services for assistance.

A standard room is the hotel room type allowed for business travel. Non-partners may use personal upgrades provided there is no additional cost to the company to redeem or qualify for the upgrade. Non-partners must select the least expensive preferred hotel option (within 5 miles of the destination) available at the time of booking.

Non-partners must notify the TMC with any reservation changes prior to the cancellation period to avoid cancellation or no-show penalties.

**Other Lodging Expenses - Reimbursable**

- Internet access expenses
- Reasonable health club fees (non-spa fees)
- Reasonable laundry expense if business trip is five or more nights
- Reasonable parking fees

**Other Lodging Expenses – Non Reimbursable**

- In-room movies/entertainment
- “No Show” charges due to a failure to cancel

**Meals**

Travel meals are defined as meals where the non-partner is on overnight or day travel. Day travel is when the non-partner is outside his or her normal Starbucks work environment and the distance from his or her designated Starbucks work location is more than 50 miles.

Travel meal expenses are reimbursed by Starbucks based on actual receipts.

The guideline for travel meals (including beverages) is USD \$50 or equivalent per day. The city of travel may influence the amount of a reasonable daily guideline.

In-flight meal services and/or hotel mini-bar items are acceptable as travel meal options.

Starbucks does not reimburse for alcoholic beverages.

**Communication and Connectivity**

Starbucks may reimburse for reasonable and necessary business connectivity expenses that occur while outside of Starbucks offices and/or during business travel.

If using a personal device, non-partners must provide documentation that additional charges were incurred outside their standard plan.

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Starbucks will not reimburse for monthly connectivity expenses for personal mobile devices or home based equipment.

Starbucks will not reimburse for personal device expenses, including purchase, accessories, replacement, upgrade, activation or termination.

Starbucks may reimburse for reasonable connectivity expenses associated with keeping in contact with family and friends while on business travel.

Mobile devices that contain business-related data pose a security risk for Starbucks. Non-partners should be vigilant about keeping devices safe and secure.

Non-partners may use any free mobile device applications that add convenience to the business travel experience.

### **Other Reimbursable/Non-Reimbursable Expenses**

In addition to those mentioned elsewhere in this and related Standards, the following items are examples of other common expenses. This list serves as a guide and is not meant to be all-inclusive.

#### Reimbursable Expenses

- All costs related to an application for passport, visa, inoculations (in direct relation to a business trip or assignment)
- Currency exchange rate losses
- Reasonable or locally customary gratuities

#### Non-Reimbursable Expenses

Any expense that is not explicitly listed as an allowable or reimbursable expense should be considered non-reimbursable.

### **Responsibilities**

Non-partners and Starbucks managers are responsible and accountable for compliance with this Procedure.

### **Exceptions**

Exceptions to this Procedure require written approval by a Starbucks executive vice president or above, within the business unit responsible for the travel expenses.

### **Invoicing/Documentation**

Starbucks will only reimburse the actual amount of the travel expense. Starbucks will not pay for mark-ups or additional service fees.

Invoices must be presented in the currency of the Starbucks responsible entity. Any currency conversion rates must be clearly identified.

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An invoice must be submitted to the Starbucks manager for review and approval. The manager's approval certifies the invoice adheres to all relevant Starbucks policies, standards, procedures and guidelines.

The invoice must clearly identify:

- Name of organization with remit to address
- Name of non-partner(s)
- Business purpose of the travel
- Date(s) of travel
- Amount and description of the expenses

Starbucks requires copies of all itemized receipts, regardless of amount. The receipt must include:

- Date of transaction
- Name of merchant
- Detail of item
- Amount of each item
- Total amount charged

Invoice and supporting documents must be submitted to Accounts Payable for processing and payment within 30 days of completion of the trip and/or business expense. A form W9 is required for first-time requestors.

## **ASSOCIATED GOVERNANCE TOOLS**

### **Standards**

- Travel and Business Expense Standard – Global

## **REVISION HISTORY**

<b>Version</b>	<b>Date</b>	<b>Description of Revisions</b>
1.0	10/09/2009	Final version approved by Accounts Payable
2.0	01/25/2010	Booking Travel section updated by SPO per Accounts Payable email
3.0	01/01/2011	Revised per new policy framework
4.0	01/01/2013	Updated by Travel, Meetings and Reimbursements