

4900 - Company Policy on Travel

Company Policy 4900 - Travel

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A. Purpose/General Policy

The Travel Policy defines the guidelines for worldwide employees traveling on behalf of Varian Medical Systems (Varian). Countries may seek approval to modify the policy for local statutory requirements as appropriate. Business travel, as with all business costs, should be focused on creating value. The primary "value decision" is whether the business trip is necessary. Employees should make sure expenses are reasonable and incurred with care and discretion. In addition, all expenditures are subject to compliance with the Anti-fraud/Anti-kickback policy (0007) where applicable. The Company reserves the right to withhold reimbursement for any travel, entertainment or other expense it determines to be contrary to the intent of this policy or in violation of any government regulation. Employees falsifying expense reports are subject to disciplinary action that could include termination.

Alternative means of communication such as videoconferencing or teleconferencing should be used whenever appropriate in lieu of travel. Business meetings should be held at Varian facilities when possible. Managers must analyze the number of people being sent for the same business purpose. Once the decision to incur the travel cost is made, all employees are expected to schedule travel with sufficient lead-time and with preferred travel vendors to maximize travel discounts.

Varian has established relationships with suppliers such as travel agencies, airlines, car rental companies, hotels, and corporate charge card issuers to provide quality service at reduced cost. Employees are required to use preferred providers whenever possible. See section B below for more details.

Redemption of frequent traveler points for business or personal travel is not reimbursable or compensated to the employee.

All travel arrangements must be made with designated travel agencies or online booking tools. Please refer to Exhibit B for a listing of travel agencies/online booking tools by geographic region. A business unit General Manager designate or Corporate Officer must approve deviations from the policy prior to reimbursement. Comments regarding this policy can be made to Varian's Travel Manager, Doug Burns, at doug.burns@varian.com 650-424-5810, or Mike Aiello at mike.aiello@varian.com 650-424-5812.

B. TRIP PLANNING AND APPROVAL

Authorization: Each business unit may set its own written policy for authorizing routine business travel as approved by a business unit General Manager or Corporate Officer as long as it does not conflict with this policy.

Designated Travel Agency and Online Booking Tool: Varian requires all employees to make company travel arrangements through the Company designated travel agency or online booking tool where applicable. Please refer to Exhibit B for a listing of designated travel agencies/online booking tools by geographic region. This enables Varian to quickly locate employees in an emergency situation, to obtain significant contractually negotiated volume discounts, and to enhance control and reporting. Travelers finding lower fares elsewhere should alert their designated travel agency. Varian reserves the right to deny reimbursement for travel expenses incurred from any source other than the designated travel agency or the online booking tool.

To ensure that family and supervisory contact numbers are available in case of emergency, completed Traveler Profiles must be on record with the employee's Company designated travel agency. For North American travelers, this form is available on the internet at www.Balboa.com. If there are any changes to your Traveler Profile, call your designated travel agency to update it, or complete it via the online booking tool.

The travel agency and online booking tool will offer employee travelers the lowest available airfare within a two-hour window and will document when an employee traveler refuses the lowest fare. Refusals will be reported to direct Managers and Company Officers.

Receipts: Employees should have receipts for all business expenses. An itemized statement (guest folio) is required for all lodging expenses. Receipts are not required in the U.S. for airline tickets and car rentals as long as the charge is made using a Corporate Travel Card and the charge is imported from the corporate travel card feed. For non-U.S. locations, employees should follow local office receipt requirements as outlined by country Finance management. For meal receipt requirements, see Paragraph F.

For international travel: Varian has information on its travel website at <https://vmsnet.varian.com/corporateservices/travel/Pages/travel-risk-management-program.aspx> regarding international travel, especially when going to a location that might be considered dangerous. Please review the information there and follow the procedures outlined.

Additionally, Varian provides access to GlobeSmart at <https://vmsnet.varian.com/corporateservices/HumanResources/Pages/globesmart.aspx>, a tool which provides education and awareness training on other cultures that can be invaluable when traveling to a new country or region for the first time.

C. ATTENDANCE AT TRADE SHOWS

Varian's largest single travel expense is associated with attendance at trade shows such as ASTRO and RSNA. Business unit Managers must review attendance at all trade shows. Since dates of trade shows and scheduled company meetings are known well in advance, travel arrangements must be booked at least 14 days in advance to take advantage of discounted fares. Department Managers must preapprove any travel that does not meet this requirement.

D. AIR TRAVEL

Class of Service: The Company's policy for domestic flights is to use discounted economy class service when available. Within this category are several fares, generally contingent on advance purchase, length of stay, connecting flights and stopovers. Advance planning and the use of the lowest-priced airfare are expected to minimize cost.

Business class travel is permitted only for persons on the designated list of business travelers for flights that are a minimum 6 hours or more. Exceptions to this policy must be approved in writing by a Corporate Officer, a business unit General Manager, or their designee, in order to be reimbursed. Given the cost of international flights, advanced planning is expected. A preferred carrier must be used for business class when available. If a business class flight is \$4,000 or more over the cost of a coach flight, approval must be obtained from the business unit General Manager, a Corporate Officer or the Travel Manager, including for persons on the designated list of business travelers.

Travelers are expected to use the lowest-available airfare that meets the requirements of their business engagement. It is expected that normal business travel will be at discounts from full-fare coach.

Methods of obtaining discounts include:

- Accepting a single stopover or connection.
- Accepting departure and arrival times within a 2-hour window of the original request.
- Making reservations early enough to obtain advance ticketing discounts, whenever possible (at least 14-day advance purchase).
- Employees should purchase non-refundable fares when it makes economic sense depending on the certainty of the trip and the cost differential.
- Staying over a Saturday night to obtain a lower fare than would be available mid-week. In cases where the cost differential results in a net savings to Varian, the company will reimburse expenses not otherwise reimbursable under paragraph I.
- Using alternate airports when the savings is appreciable in a multi-airport region.

Choosing flights to accumulate frequent flyer credits is prohibited if it causes the Company to incur added costs. Such additional costs are not reimbursable. Frequent flyer credits that are accrued following Varian's travel policies may be retained by the employee.

Redemption of miles for airline tickets for business or personal travel is not reimbursable nor compensated to the employee.

Unused tickets must be reported promptly to Balboa Travel or the other local travel agencies for refund, credit, or reissue.

Employees must travel on commercial or corporate flights; **employee piloting of aircraft on Company business is strictly forbidden.**

Non-exempt employees are to be compensated for time spent traveling on company business if it is in excess of normal commute time. This includes travel to and from an airport as well as time spent flying or driving to a customer or business meeting site. If the total amount of paid time, including travel time, is more than 40 hours in a week or 8 hours in a day, they will be eligible to receive overtime pay.

E. TRANSPORTATION OTHER THAN AIR

Train: Sleeping car class is acceptable for required overnight trips.

Car: Normal business expense for travelers using their personal cars for long distance travel includes mileage, meals, overnight lodging, etc. The total reimbursement may not exceed the lowest alternative airfare.

Taxis and other ground transportation: Hotel shuttles, local public transit, or airport buses should be used when possible. The company will reimburse for taxis, Uber and Lyft while on the road for business purposes.

Car Rental: Midsize or smaller car rentals are standard unless larger vehicles are required to move equipment, several people, etc. Reservations must be made through the designated travel agent or online booking tool; use of National Car Rental is mandatory whenever available. Otherwise the lowest cost vendor should be used. Do not buy extra collision or personal accident insurance (except in Mexico and certain former East Bloc countries) because Varian already has coverage through the approved car rental agencies or separately through the Varian insurance program. Non-Varian employees are strictly prohibited from driving rental cars assigned to Varian employees except in the event of an emergency. See Appendix A for instruction on what to do in an accident.

It is important that Varian preferred providers are always used when available. If insurance is not available through Varian's preferred rental car contracts, coverage is provided by Varian's master insurance agreements for business use.

Generally, Varian will not pay for additional coverage purchased from the car rental company unless travel is in a high risk country where the employee has significant concern about an accident or where it

may be compulsory to purchase local insurance, such as Mexico, certain parts of Latin America, Asia, Europe or the Middle East.

Employees may rent a car for personal use through the Varian-negotiated car rental agreements, but when they do so, they do NOT have insurance coverage through either Varian's insurance or the basic car rental company's insurance. This employee should either carry his or her own insurance or purchase insurance from the car rental company, at his or her expense. Travelers should contact their insurance companies for advice.

Also note that when an employee rents a car for a business purpose, but then uses the business rental for a personal purpose during the trip, that employee will have no insurance coverage under any of Varian's insurance policies (or the basic insurance that comes with the car rental) for the personal portion of the trip. Personal days are defined as those days for which the employee is not reimbursed for his or her car rental charges. These employees should carry their own personal coverage, or purchase additional insurance (at his or her own expense) from the car rental company for the personal use of the rental car during the business trip.

F. LODGING, MEALS AND INCIDENTALS

Lodging: Travelers should minimize costs while obtaining suitable accommodations for their business needs. Travelers should use recommended hotels and book all accommodations through the Company designated travel agency. The agency is required to offer accommodations at the lower of either Varian negotiated or agency rates. In order to maximize potential refunds of value added taxes (VAT) on trips abroad, U.S. employees should request that the Company name, rather than the agency name, appear on the hotel invoice.

Meals: Overnight travelers are reimbursed for actual meal expenses, including tips. Expenditures under \$25 per day do not require receipts. This is not a per diem (exceptions to the per diem policy may apply as required by law in certain countries). Employees should report the actual amount spent. NOTE: International operations may need to modify the equivalent dollar limit or for compliance with local tax law.

No more than 2 moderately priced alcoholic beverages may be expensed per meal. In no case during working hours should an employee return to work after consuming any amount of alcohol.

When driving any vehicle for company business, you are prohibited from driving under the influence or alcohol, drugs, or any other substance that impairs your ability to safely operate a vehicle. Driving under the influence while on Company business may result in disciplinary action, up to and including termination of employment.

Each employee should submit his or her own meal expenses; there should be no group meals between peers, unless pre-approved by their Manager. If a group function or team is expensing a meal together, the most senior Manager or Supervisor should submit the expense report with all attendees listed, which should be approved by that individual's Manager.

A Manager or Supervisor should avoid approving an expense report if expenses claimed include money paid on his/her behalf; exceptions include employee and customer functions.

Entertainment: All business meals and entertainment expenses involving customers require itemized receipts. Expenses should be described in detail and classified in the appropriate expense category. For guidance on expenses related to interactions with healthcare professional (HCPs) please see the Global Ethical Compliance Policy – EC00001. Employees should provide the nature and reason for the business discussion. They also should provide the name, company and title of all individuals who participated in the business meal, including other employees.

Tips and gratuities are reimbursable when confined to reasonable levels as determined by service required and received.

Laundry and Valet: Reasonable amounts are reimbursed for trips lasting longer than five days, or in an emergency.

Communications: Employees will use the least expensive method of communication that is consistent with the best interest of the Company. Calls from air phones should be used for emergency purposes or critical business purposes only. Reasonable expenses for contacting the employee's home will be reimbursed. Employees are encouraged to use a Varian provided cellphone or the telephone card for telephone charges. High surcharges on hotel room telephone calls should be avoided whenever possible. In-room movies, video rentals and charges for use of the hotel health club are reimbursable for reasonable charges.

Travel Documents. The Company shall bear the cost of all necessary business travel documents and related expenses including, but not limited to, passports, visas, and inoculations. These services are provided for employees in conjunction with business travel only.

Miscellaneous: Any travel expense reported that is not specifically included in this policy requires adequate justification.

G. LOCAL TRAVEL EXPENSE

Certain expenses during business travel not requiring overnight accommodations are reimbursable:

Meals: Acceptable Expenses Included

- An occasional reasonable dinner expense due to an extended daytime business trip.
- Business conference meals authorized by a business unit functional Manager or corporate functional Director.
- Meals at a professional organization meeting when authorized by a functional Manager or corporate functional Director.

Automobile Expenses: Travelers using their personal cars for Company business are reimbursed for mileage at the IRS standard mileage rate per business mile. If a traveler goes directly from home to a

business appointment and then to a Varian work site, only the mileage over regular work commute mileage is reimbursed.

The Company does not insure, pay employee deductibles or make repairs to personal vehicles damaged while used on Company business. Reasonable parking charges and tolls are reimbursed to attend Company business-related activities.

H. HOME VISITS

Travelers on extended business trips at remote locations may return home periodically at Company expense. If airfare is substantially more than weekend lodging and meals at the business site, domestic returns are limited to every third weekend and less frequently for international travel. Home visits require prior approval by the traveler's Supervisor.

I. COMBINED BUSINESS AND PERSONAL TRAVEL

When personal travel is combined with a business trip, the Company pays expenses only on those days associated with business unless there is a net savings as outlined in paragraph D. If there is any airfare or airport parking differential due to the personal travel, the employee must pay the additional cost, and supporting documentation must be attached to the expense report. If an additional flight segment is added on an extended trip in lieu of a home visit, an adequate explanation with the Supervisor's written approval must be attached.

J. DEPENDENT TRAVEL

Varian permits a dependent (spouse or child) to accompany employees on business trips with prior approval. This privilege is granted only to full-time employees. It should be used rarely and only in the following special cases:

- If job-related activities cause periods of excessive absence from home, including weekends, then only the dependent's airfare expense is reimbursed.
- If specific Company activities require spouse attendance, then airfare and normal meal, lodging, and incidental expenses are reimbursed.

Approval is required by a business unit General Manager or Corporate Officer with an explanation of the reason for dependent travel. Business unit General Managers or Corporate Officers require next level approval for dependent travel.

The Company employee is only compensated for the business portions of the trip, notwithstanding provisions of Paragraph I.

Dependent travel reimbursement is always considered taxable income and will be included on the employee's W-2 form, per current IRS rules in the US or appropriate tax reporting in other countries.

K. COMPANY-ISSUED TRAVEL CARD

All employees expected to travel or who incur travel and entertainment expenses must be enrolled in the Corporate Travel and Entertainment Card program. If the card provider declines to issue an individual Corporate Travel Card to an employee due to credit issues, Varian will consider a Company guarantee for the card with appropriate limitations and supervisory approvals. All reimbursed expenses including, but not limited to, airlines, hotels, and rental cars must be charged to the Corporate Travel Card. Expense for meals must be charged to the card, where accepted. Cash or personal credit cards should only be used when the Corporate Travel Card is not accepted; this usage should be infrequent. Delinquency fees including, but not limited to, non-payment of corporate charge card or late submission of expense reports will not be reimbursed.

Use of Company credit cards should be for Varian-approved purchases/business purchase only. The cards should not be used to make personal charges except in emergency or inadvertent circumstances; this usage should be infrequent. Personal charges should be paid by the next billing cycle. Varian regularly monitors the use of the Corporate Travel Card to ensure compliance with travel policy. In the event an employee leaves the employment of Varian with unpaid personal charges, those charges are expected to be paid immediately. If the charges are not paid before the due date, the charges will be sent to a collection agency. Further legal action may be taken as a result of an unpaid personal charge balance.

L. EXPENSE REPORT

Requests for reimbursement of travel expenses must be made through the Company's online expense reporting system within 10 days of the return from a trip. The employee's Supervisor or a designate shall approve expense reports. It is the responsibility of the approver to determine that expenses are necessary to the conduct of business and are within company policy. Approvers should approve expense reports within five days of receiving them. Any items not consistent with company policy will not be reimbursed, or will require additional justification prior to payment. Any expense reports not completed within 90 days will require approval of the CFO or business unit General Manager.

Employees can submit expense reports for airfare and related travel deposits in advance of the business trip if the travel arrangements are billed directly to the employee's Corporate Travel Card. The original travel invoice should be used to support the advance reimbursement. Employees should be very careful not to resubmit the charge with the trip expense report.

Original receipts for expenses greater than \$25 are required unless excluded above. Receipts must be attached to the expense reports by electronic image such as a PDF. Employee expense reports will not be processed until the receipts are electronically attached to the report.

Use of exchange rate conversions should be limited to out-of-pocket expense. The Corporate Travel Card provides the appropriate exchange rate conversion to U.S. dollars on all expenses billed on the Corporate Travel Card. Employees are advised to wait until the charges appear on the prefill data in the expense report system before completing their expense reports. For out-of-pocket expenses, employees should use the rate at which they converted their dollars to a foreign currency. Employees should use the receipt from the vendor who converted the currency as evidence of the currency exchange rate. When given a choice of what currency to be charged, employees should always select

the local currency, as Varian receives much better exchange rates through the Corporate Travel Card versus what is offered by hotels, restaurants, etc.

A Manager or Supervisor should avoid approving an expense report if expenses claimed include money paid on his/her behalf; exceptions include employee and customer functions. Employees falsifying expense reports are subject to disciplinary action that may include termination. In addition, all expenditures are subject to compliance with the Anti-fraud/Anti-Kickback policy (007).

M. GROUP MEETINGS

A meeting or event is a Company-planned gathering for at least 15 people requiring air travel, overnight accommodations or offsite meeting space. Employees are encouraged to use an on-site facility whenever possible. All U.S. and Canadian based employees must utilize Varian's designated meeting planner to help with selection of the site and travel coordination. Varian's designated meeting planner can be reached at the Varian/Balboa meetings desk, 1-800-757-2383. The use of any other outside meeting planners is prohibited except for major customer event such as ASTRO or RSNA. Any exceptions must be approved by a Corporate Officer or the Travel Manager. Meetings of fewer than 15 people should use normal travel procurement procedures.

Any travel expenditures associated with meetings and events must comply with Varian's travel policy. The preferred purchasing method for meeting and events with planned expenses greater than \$20,000 is to use a Varian-issued Meeting and Events Card or Purchasing Card. This includes pre-meeting deposits, on-site meeting payments and post-meeting final payments. Meeting and Events Cards can be obtained by contacting the Travel department at 650-424-5812. Varian employees and non-employees are not to receive personal benefits or compensation in return for booking meeting and events on behalf of Varian.

N: TRAVEL FOR VARIAN CONSULTANTS AND CONTRACTORS

Temporary/contractor/consultant employees should travel in accordance with the Varian Travel Policy. A copy of the Policy Manual can be provided if one does not have VMSNet access.

Unless otherwise stipulated in consultancy contracts or agreements, consultants, contractors and temporary employees should book travel via Varian-designated travel agencies to take advantage of Varian-negotiated rates for business travel.

Temporary employees must file all business travel expenses through their temporary employment agency.

APPENDIX A

What to do in case of an accident in a rental car:

- Remain calm and make sure no one is hurt.

- Do not admit responsibility. Be courteous and factual.
- Report the accident to the Police if necessary. Get the police report number and a copy of the report if possible.
- Obtain as much information as possible about the accident and the other parties involved. Write down the names and contact information of any witnesses.
- If your cell phone has a camera, take pictures of the accident scene and vehicle damage.
- Exchange insurance information with the other parties involved. The proof of vehicle insurance is located in the glove compartment or visor of a rental car.
- Complete an Accident Report (which is typically located in your rental reservation jacket or the glove compartment of the rental vehicle).
- Notify the rental car company to report the accident.
- Return the accident report to the rental car location.
- Report the accident to Varian's Risk Management Team via e-mail at Marserette.Redenbaugh@varian.com and provide a copy of the accident report if available.

Unless instructed otherwise, direct all communication from other parties involved (or their representatives) to Varian Risk Management or Varian Legal department heads in your geography.

Please contact the Varian Risk Management Team David.Collins@varian.com if you have any questions.

APPENDIX B

Travel Agency per Country

Operation	OperationTravel Agency
Algeria	N/A
AUSTRALIA	Reho Travel
Austria	BCD
Belgium	BCD
United States	Balboa
Brazil	N/A
Canada	Balboa
Sitzerland	BCD
CN Wuxi X-Ray	BCD
Germany	BCD
Denmark	TPE
Finland	BCD
France	BCD
Hong Kong	N/A
Hungary	N/A
Italy	BCD
Japan	N/A
Korea	N/A
Malaysia	N/A
India-Mumbai	FcM
Netherlands	BCD
Particle Therapy Germany	BCD
Portugal	Halcon
India-Pune	Uniglobe
Singapore	N/A
Spain	Halcon
Thailand	N/A
China	BCD
VMS Saudi Arabia	N/A
VMS UK Ltd	BCD