

Travel & Expense Policy (EN, 2025-01)

Version: 2025-01

Company: NMT

Region: Global (EN)

1. Purpose and Scope

1.1 Purpose

The Travel & Expense Policy provides a standardized framework for managing business travel and related expenses across NMT. The purpose of this policy is to ensure that all travel undertaken on behalf of the company is necessary, planned efficiently, and executed in a cost-effective and compliant manner. This includes safeguarding the appropriate use of company funds, establishing accountability, and promoting sustainable and responsible travel practices.

1.2 Scope

This policy applies to all NMT employees who travel for official business activities, regardless of geographic location, employment type, or department. The policy covers all modes of travel, accommodation, meals, and business-related expenditures incurred during approved travel assignments.

2. General Principles

2.1 Cost-Effectiveness

Employees must make informed and prudent decisions when planning travel, prioritizing options that provide the best balance of cost and operational effectiveness. Alternative arrangements such as virtual meetings should be considered before approving travel. When travel is required, employees are expected to select economical routes, lodging within approved limits, and utilize preferred vendors to optimize cost savings.

2.2 Fairness

All employees should receive equitable treatment relating to travel arrangements, reimbursements, and expense approval. Standards for accommodations, travel classes, and allowable expenses apply uniformly across departments to ensure consistency and prevent preferential treatment or unauthorized deviations.

2.3 Compliance

Employees must adhere to all applicable laws, regulations, and internal policies governing travel and expense practices. This includes immigration rules, tax obligations, safety regulations, and any legal restrictions associated with specific destinations. Non-adherence may lead to penalties, delayed reimbursements, or disciplinary actions.

2.4 Sustainability

Employees are encouraged to minimize environmental impact by selecting eco-friendly options such as rail travel, shared transportation, or virtual meetings when feasible. Short-haul flights should be avoided when practical alternatives exist, supporting NMT's commitment to reducing its carbon footprint.

3. Roles and Responsibilities

3.1 Employees

- Read, understand, and comply with the Travel & Expense Policy.
- Obtain all required approvals before incurring travel expenses.
- Ensure that all expenses submitted for reimbursement are accurate, supported with documentation, and directly related to business purposes.

3.2 Managers

- Review and approve travel requests based on business relevance and budget availability.
- Verify that claimed expenses comply with this policy before approving reimbursements.
- Ensure employees understand travel requirements, procedures, and expectations.

3.3 Finance / HR

- Process and verify expense reports in accordance with established timelines.
- Maintain financial and compliance records relating to travel expenditures.
- Provide guidance on policy rules, reimbursement procedures, and documentation standards.

3.4 Travel Desk

- Coordinate and support travel bookings, ensuring employees use preferred vendors and negotiated rates.
 - Provide employees with relevant travel information, itinerary support, and escalation assistance when disruptions occur.
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4. Pre-Approval Process

4.1 Booking System

All business travel must be planned and booked exclusively through NMT's designated travel booking platform. This ensures consistency, centralized oversight, and access to corporate rates. Travel booked outside the approved system may not be reimbursed.

4.2 Manager Approval

Employees must obtain written approval from their direct manager before initiating any travel bookings. Approvals should reflect business necessity, expected outcomes of travel, and alignment with departmental plans.

4.3 Timelines

Approval requests must be submitted at least two weeks prior to the intended travel date to allow adequate planning, cost optimization, and administrative processing. Urgent requests require written justification and may be approved at management discretion.

5. Booking Rules

5.1 Preferred Vendors

Employees must use NMT's preferred airlines, hotels, and car rental providers to leverage negotiated rates and ensure compliance with corporate standards.

Deviations from preferred vendors require documented justification.

5.2 Flights

- Employees must book flights at least 14 days before departure unless business needs dictate otherwise.
- Economy class is mandatory for all domestic flights and short international routes.

5.3 Hotels

Employees must select accommodations from the NMT preferred hotel network. Lodging must meet company safety and service standards while remaining within approved price limits.

5.4 Car Rentals

- Employees should use preferred rental agencies and select compact or economy vehicles.
- Larger vehicles may be booked only when operational needs justify the requirement.

5.5 Trains

Train travel should be booked in advance and will be reimbursed at economy or standard class rates, unless business reasons necessitate an upgrade.

6. Class of Travel

6.1 Economy Class

Economy class is mandatory for all travel segments under six hours, including domestic and regional international travel. This ensures cost efficiency and consistency across employee groups.

6.2 Business Class

Business class travel is permitted only for international flights exceeding six hours of continuous travel time or when approved by management based on medical, operational, or strategic considerations.

6.3 Exceptions

Any exception to standard travel class rules must be justified in writing and approved prior to booking. Unapproved upgrades will not be reimbursed.

7. Daily Allowances

7.1 Meals

Employees are entitled to a daily meal allowance based on destination-specific rates. The allowance is intended to cover breakfast, lunch, dinner, and incidental expenses, and should be used responsibly.

7.2 Per Diem

Per diem rates are determined by NMT's internal schedules and local regulatory guidelines. These rates are intended to simplify reimbursements and reduce the need for itemized meal receipts where applicable.

7.3 Currency Handling

For international travel, employees must retain records of currency exchange transactions, including receipts, to validate reimbursement amounts and ensure accurate conversion.

8. Reimbursable vs. Non-Reimbursable Expenses

8.1 Reimbursable Expenses

Reimbursable expenses must be necessary, reasonable, and directly related to business travel.

Expense Type | Examples

Transportation | Airfare, train tickets, car rentals

Accommodation | Hotel stays within approved limits

Meals | Daily allowance as per destination

Business-related costs | Conference fees, client meals, communication charges

8.2 Non-Reimbursable Expenses

The following expenses are not eligible for reimbursement under any circumstances:

Expense Type | Examples

Personal expenses | Leisure activities, personal meals

Alcohol | Except when part of an approved business meal

Unapproved upgrades | Flight or hotel upgrades not authorized

Fines | Parking violations, traffic penalties

9. Deadlines and Process for Submitting Expense Reports

9.1 Submission Timeline

Employees must submit complete and accurate expense reports within 30 days of completing travel. Late submissions may result in delayed or denied reimbursements unless approved by management with justification.

9.2 Process

Employees must complete the official expense report form, attach required receipts, and submit the documentation through the company's expense reporting system. Only approved forms and formats will be processed.

10. Required Documentation

10.1 Receipts

Employees must provide original receipts for all reimbursable expenses. If originals are not available, digital copies may be accepted with justification. Missing documentation may result in denied claims.

10.2 Credit Card Statements

Credit card statements may be submitted only as supplementary proof. They are not considered valid replacements for itemized receipts.

11. Expense Reporting System

11.1 Workflow

The expense reporting system routes submitted claims to the Finance Department for validation, compliance checks, and processing. Employees are responsible for ensuring submitted data is accurate.

11.2 Service Level Agreement (SLA)

Finance will process and reimburse approved expenses within 10 business days from the date of complete submission.

11.3 Approvals

All expense reports require managerial approval. Managers must ensure alignment with policy rules before authorizing reimbursement.

11.4 Audits

Finance may conduct periodic audits of expense reports to ensure compliance. Non-compliance identified during audits may result in corrective action.

12. Remote Work Travel and Hybrid Work-Related Expenses

Employees working in remote or hybrid arrangements may occasionally be required to travel for in-person meetings or operational requirements. All such travel must be pre-approved and must follow the same rules and documentation requirements as standard business travel.

13. Travel Safety and Duty of Care

13.1 Emergency Contacts

Employees must provide up-to-date emergency contact information prior to travel to enable swift communication in case of incidents.

13.2 Insurance

NMT provides comprehensive travel insurance for approved business travel, covering medical emergencies, lost baggage, and travel disruptions within policy limits.

13.3 Medical

Employees must ensure that they have access to required medication and are aware of local medical facilities. Any medical risk associated with travel destinations must be reviewed by the employee and manager prior to approval.

14. Sustainability Measures

14.1 Eco-Friendly Choices

Employees should prioritize environmentally responsible options such as public transportation, shared mobility, and green-certified hotels whenever feasible.

14.2 Limits on Short Flights

Employees should avoid booking flights under three hours in duration when practical alternatives such as trains or virtual meetings are available, except when operational constraints require otherwise.

15. Compliance and Consequences of Misuse

Failure to comply with this policy may result in partial or full denial of reimbursement, disciplinary action, or further consequences as determined by management. Misrepresentation of expenses or fraudulent submissions may lead to severe disciplinary measures, including termination of employment.