

# Business Expense Management Policy

## Purpose

The purpose of this Policy (and the attached Schedules) is to ensure that all RightShip employees, consultants and contractors have a clear and consistent understanding of what are allowable business expenses.

## Scope

This Policy applies to all RightShip employees, consultants and contractors who incur expenses in the course of providing their work or services to RightShip.

The terms of this Policy do not form part of an employee's contract of employment and the Policy may be varied, replaced or terminated at any time without notice at RightShip's discretion.

## Consequences of non-compliance

Any employee, consultant or contractor found to be in breach of this Policy may be subject to appropriate disciplinary action, including termination of their employment or the ending of their engagement or relationship with RightShip.

## Principles

RightShip will reimburse expenses which are:

- necessary to perform a valid business purpose fulfilling the operations of the business and which is connected to the claimant's duties or function;
- reasonable in that the expense is not extreme or excessive and reflects a prudent decision to incur the expense;
- appropriate in that the expense is suitable and fitting in the context of the valid business purpose; and
- allowable according to the terms of any law, regulation, standard, sponsored contract, or RightShip policy.

RightShip may require that certain business expenses be approved by it prior to the expense being incurred.

RightShip will not reimburse expenses that are not incurred in accordance with this Policy.

Any expenses incurred on RightShip's credit cards that do not comply with this Policy will require reimbursement by the cardholder.

## Documentation

Expense claims must be supported with original documentation necessary to:

- support claims; and
- meet taxation requirements (corporate and personal).

Images of documentation including receipts and tax invoices can be uploaded into the expense management system (Serko). Credit card receipts alone are not acceptable as tax invoices and will not be accepted without a supporting tax invoice (with the exception of taxi charges and some parking charges where an invoice may not be issued). A download of charges made directly to cashcard or via an app will be accepted where a separate invoice is not issued.

For consultants and contractors, a detailed list of expenses with supporting documentation is required prior to claiming.

## Responsibilities

Employees, consultants and contractors are responsible for:

- ensuring that all business expenses are incurred in accordance with this Policy;
- ensuring that all business expenses are claimed following RightShip's Expense Claim Procedure;
- reconciling expenses in compliance with this Policy;
- maintaining relevant documentation in relation to RightShip business expenses; and
- ensuring that expenses are appropriately approved.

Line managers are responsible for:

- ensuring that their employees understand the requirements of this Policy;
- exercising discretion and judgement in determining whether to approve an expense or not;
- ensuring any deviations from this Policy have the appropriate authority noted;
- monitoring employee adherence to this Policy; and
- reporting any non-compliance with this Policy.

## Schedule 1 – Allowable Expenses Guide

These schedules do not contain exhaustive lists. If it unclear whether an expense is allowable, employees, consultants and contractors must discuss with their line manager or appropriate RightShip contact prior to incurring the expense.

RightShip travellers incurring business expenses must also refer to the RightShip Travel Policy.

Expense	Commentary
Gifts	<ul style="list-style-type: none"> <li>As an overarching principle gifts should not be cash or cash equivalents. If gift vouchers are given, they should be specific for the occasion – not supermarket or liquor store vouchers.</li> <li>A gift for a departing employee - the amount should be reasonable, equitable and commensurate with length of service, nature of the position and conditions of the departure. The gift should be arranged by the relevant people leader. In addition, a farewell function of modest value may be arranged based on sound judgement and the number of people attending, approved by the relevant people leader.</li> <li>A gift to an employee may be given for a significant personal event such as the birth of a child or death of a family member.</li> </ul>
Meals / entertainment	<ul style="list-style-type: none"> <li>Food and beverage expenses are allowable when provided for legitimate RightShip related business reasons and are reasonable based on sound judgment, the nature of the event and the number of people attending. Coffee or lunch meetings with colleagues are not allowable expenses unless they are attending to RightShip business and include meeting with people from another organisation.</li> <li>With respect to providing food and beverages during work-related meetings, organisers of meetings should take appropriate steps to ensure that where possible meetings are not held over meal times (such as early mornings, 12 noon to 2pm or after 6pm), but if schedules require it, the cost of meals and beverages are allowable expenses, in line with the principles of this Policy – that is, they are necessary, reasonable and appropriate.</li> <li>If the food/entertainment is used as a reward, morale booster for colleagues or for entertaining travelling / visiting colleagues, these situations must be modest and non-repetitive in nature.</li> <li>In all cases, a list of attendees including titles, total number of attendees, and the business purpose of the meeting needs to</li> </ul>

	be provided along with the original receipts in order for the expense to be covered.
Alcohol	<ul style="list-style-type: none"> <li>When consumed with food as part of a RightShip organised or sponsored event and the alcohol component is not the primary expenditure submitted for reimbursement.</li> <li>In all cases alcohol must be consumed responsibly, in accordance with the applicable RightShip policy, and with the advance permission of RightShip.</li> <li>Individuals are not permitted to take alcohol home that has been purchased by RightShip.</li> </ul>
Festive celebrations	<ul style="list-style-type: none"> <li>Only festive season functions approved by a member of the Executive Team and within the allowance provided for the function in the annual budget.</li> </ul>
Taxi / ridesharing service	<ul style="list-style-type: none"> <li>When travelling for RightShip business or where a function ends late in the evening.</li> <li>The most cost-effective means of transportation must be used while on RightShip related activities. For the purposes of this policy: <ul style="list-style-type: none"> <li>taxi refers to a metred taxi service; and</li> <li>ridesharing service refers to transport provided by a company that matches passengers with vehicles via websites and mobile apps e.g. Uber, Ola.</li> </ul> </li> </ul>
Parking and road tolls	<ul style="list-style-type: none"> <li>When travelling for RightShip related business.</li> <li>Not for travel between home and the normal place of work.</li> </ul>
Public transport	<ul style="list-style-type: none"> <li>When travelling for RightShip related business.</li> <li>Not for travel between home and the normal place of work.</li> </ul>
Hotels / accommodation	<ul style="list-style-type: none"> <li>When you are travelling for RightShip related business. individuals should consider local standards when determining what is reasonable.</li> <li>When a conference organiser provides pre-negotiated rates for accommodation close to or at the venue the traveller may book that accommodation subject to compliance with the Travel Policy.</li> <li>Airbnb or the use of other shared economy rental services without a reception desk are not permitted.</li> </ul>

Printing, photocopying or hotel internet	<ul style="list-style-type: none"><li>• If required for business purposes and no other option is available.</li></ul>
Passport, visa and work permit fees	<ul style="list-style-type: none"><li>• The cost of passports is generally not reimbursable. In the rare circumstance where a passport is required for the first time to enable work travel, or where an employee is required to regularly travel as a core part of their role (&gt;5 trips per year), the cost may be covered at the responsible manager's discretion.</li><li>• Any business travel related visa or permit costs can be claimed.</li></ul>

## Schedule 2 – Non-Allowable Expenses

These schedules do not contain exhaustive lists. If it is unclear whether an expense is allowable, employees, consultants and contractors must discuss with their line manager or appropriate RightShip contact prior to incurring the expense.

Expense	Commentary
Employee travel to and from work	Normal costs of commuting to and from work are considered personal expenses.
Fees on personal credit cards	Annual fees on personal credit cards are not reimbursable, even if the card is used for business purposes.
Late payment penalties or interest charges on personal credit cards	These fees are not allowable even on personal credit cards that have been used to pay RightShip related expenses.
Hotel minibar	Alcohol, other drinks, and food purchased from the minibar are the personal responsibility of the consumer.
Stolen, lost, or damaged personal property	This is a personal responsibility and not reimbursable even if such loss incurred while on RightShip business.

## References

### RightShip documents

- Travel Policy

## Policy ownership and review

This Policy is owned by the Chief Executive Officer.

This Policy requires the annual approval of the RightShip Board of Directors.

## Procedural Version Control

No.	Date Approved	Date Effective	Section Amended	Authorised by
1	June 2018	June 2018	Initial release	CEO
2	August 2020	August 2020	Principles & Responsibilities added	CEO
3	February 2023	February 2023	Annual Review	CEO