

## Travel, Entertainment and Other Contingent Worker Business Expense Policy

### **1.0 Purpose**

To establish policy defining allowable travel, entertainment and other business expenses and reimbursement to a Contingent Worker (Staffing Supplier). This policy is the definitive statement as to travel, travel expenses, entertainment as well as other business expenses incurred by a Contingent Worker.

### **1.1 Scope**

The policy applies to Contingent Workers on assignment within all divisions, subsidiaries and AbbVie-managed joint ventures.

### **1.2 Responsibilities**

- I. AbbVie Department (Hiring) Managers must utilize this policy to approve and administer travel, entertainment, and other business expenses incurred by a Contingent Worker.
- II. Contingent Workers (Staffing Suppliers) are responsible for adhering to this policy and submitting an appropriately approved Expense Report within two weeks or less after trip completion or other business expenditure to settle all previously authorized business travel repayments.

## **2.0 Policy**

### **I. GENERAL**

Contingent Workers (Staffing Suppliers) are reimbursed for reasonable actual expenses, which result from transacting AbbVie business. These expenses will ordinarily include transportation, lodging, meals and other items as defined in this policy. When possible, AbbVie's preferred vendors and programs should be utilized.

### **II. AIR TRAVEL**

#### **A. COMMERCIAL AIR TRAVEL**

The standard airline mode is coach/economy class. For international flights of thirteen hours or more, business class is authorized. Flights in either direction for the following city pairs are included in the thirteen hour authorization: Chicago/Tokyo, Chicago/Beijing, Chicago/Shanghai, Chicago/Seoul, San Francisco/Taipei, and Los Angeles/Taipei. Travel between the United States, and Puerto Rico or Canada is considered domestic travel. Over thirteen hours means one continuous flight or multiple flights measured from takeoff of first flight to landing of final flight uninterrupted by an overnight stay.

#### **B. BACK-TO-BACK AIRLINE TICKETING (DOMESTIC ORIGINATING)**

The use of back-to-back ticketing for business travel at AbbVie is strictly prohibited. An example of this practice is to utilize flight coupons in an order other than which they were originally intended (i.e., purchasing two separate round-trip tickets and only utilizing one segment from each set of round-trip tickets.) This practice is in violation of the air carriers' tariff rules and legally permits airlines to take remedial action against AbbVie when such ticketing practices are discovered. Additionally, travelers who violate this policy may be denied boarding or may be required to pay the full fare difference at time of airport check-in. Should such ticketing practice be reported, full payment of the fare difference will be charged against the traveler. Contingent Workers (Staffing Suppliers) who repeatedly violate back-to-back ticketing restrictions may be subject to disciplinary action, up to, and including termination of their contract assignment at AbbVie.

#### **C. AIRLINE CLUBS**

Airline club memberships and credit card clubs are not reimbursable. No exceptions may be granted to this policy.

#### **D. SPECIAL PROMOTIONAL PROGRAMS**

Airline miles, points, and similar loyalty program awards accumulated by Contingent Workers traveling to conduct AbbVie business belong to the Contingent Worker for their personal use.

#### **E. AIRPASS OR PASS PLUS ACCOUNTS**

Contingent Workers may not purchase Airpass, Pass Plus, or any similar type airline accounts for the purpose of business travel. Expenditures for such passes/accounts are not reimbursable. No exceptions may be granted to this policy.

#### F. UPGRADING

If a Contingent Worker wishes to travel a class of service other than the class for which he/she is eligible, he/she is required to pay the difference in the fares as personal expense and report it as a deduction on the Expense Report. The deduction should represent the actual amount of the ticket less the value of the lowest fare ticket available for that trip assuming seven-day advance booking as computed by the travel agency used. In the case where a more expensive, upgradeable coach fare must be purchased in order for the Contingent Worker to upgrade using mileage for example, and a less expensive coach fare is available, the personal expense to upgrade will be based on the less expensive, non-upgradeable coach fare. A letter or itinerary from the travel service company must accompany each expense report to document the personal portion; notations of telephone conversations with the travel service company are not acceptable. The letter or itinerary must show a comparison fare that is available the same day the trip reservation is made, or at a minimum must represent a 7-day advance purchase fare as measured from departure date. Letters or itineraries showing comparison fares must be obtained through the approved travel agency office and not through an online booking tool. Contingent Workers cannot use a less expensive class of travel than authorized and use the "savings" for personal travel, travel of a spouse or other person.

### III. GROUND TRAVEL

#### A. PERSONAL CARS

This section applies to U.S. operations (including territories and possessions). Non-U.S. operations are expected to maintain policies consistent with this section, as needed.

##### 1. REIMBURSEMENT

Personal cars may be used on business trips with the AbbVie Manager's prior approval. A Contingent Worker who uses a personal car for AbbVie business is reimbursed mileage at the AbbVie predetermined rate and for actual parking and toll charges. No additional allowance is paid for passengers who travel with the Contingent Worker. **Mileage, parking and toll charges must be itemized on the expense report in order to be reimbursed.**

#### B. RENTAL CARS

##### 1. General

Rental vehicles may be used only when less expensive transportation is not available or convenient. The traveler should use a class of car established by the Staffing Supplier's travel agency and only rent a larger vehicle when the number of passengers is justified.

##### 2. Refueling

Since refueling charges are usually high, vehicles should be refueled before they are returned to the rental agency.

##### 3. Memberships

Memberships in rental car clubs are not reimbursable.

#### C. OTHER

Parking, tolls, taxi/limo and similar travel costs are reimbursable. Where applicable, Staffing Supplier will utilize, whenever possible, AbbVie's preferred limo companies. To further reduce limo expenses, a shared limo should also be utilized whenever possible. Traffic citations and parking tickets received by a Contingent Worker while on AbbVie business are not reimbursable. Transportation to and from work, except in connection with a business trip, is NOT a personal expense even if the Contingent Worker works overtime, weekends, holidays, etc.

### IV. TRAVEL ARRANGEMENTS

#### A. Individual Business Travel – Contingent Workers

Business travel reservations should not be made via the internet either through the airline's web site or through an internet booking site such as Orbitz, Priceline, Expedia, etc..

## V. EXPENSE COVERAGE

### A. LODGING

Lodging accommodations must be arranged by the Contingent Worker using reasonably priced facilities whenever possible and least expensive. Deluxe accommodations may be used only when less expensive accommodations are not available, and require appropriate explanation on the expense report.

### B. MEALS AND BEVERAGES

Contingent Workers are to exercise good judgment in selecting eating establishments and menu items.

### C. BUSINESS TRAVEL INSURANCE

Business travel insurance is not a reimbursable expense.

### D. OTHER ITEMS

Contingent Worker personal items, luggage, cash, etc. which are lost or stolen while traveling on ABBVIE business are not reimbursable. Child care, pet boarding and other personal expenses are not reimbursable. In-room movies and fees to use hotel health clubs on an overnight business trip are NOT reimbursable.

### E. CREDIT/CHARGE CARDS

**Personal Credit Cards** - Fees paid for obtaining and use of personal credit cards are not an authorized reimbursable expense. Fees and interest resulting from credit/charge card transactions and emergency cash advances are not reimbursable.

### F. CURRENCY CONVERSION

Expenses incurred by Contingent Workers traveling outside of the U.S. that require a currency conversion must be detailed on the expense report. All conversions should be calculated and provided in order to be properly reimbursed. **Note: The preferred method for calculation is the [Yahoo! Finance Currency Converter](#).**

### G. FOREIGN CONVENTIONS AND SEMINARS

Attendance by U.S. Contingent Workers at foreign conventions and seminars (outside the United States, its territories and possessions) is subject to specific provision of the Federal Tax law. Therefore, any such attendance must have prior written approval by the Contingent Worker's Department Manager.

### H. AUTHORIZATIONS

Contingent Workers are responsible for submitting his or her expenses through the Insite (Fieldglass) technology. Upon doing so, the expense report will be routed to the department manager and next level supervisor for authorization. Expense reports cannot be processed until appropriate authorizations have been acquired through the technology.

## VI. EXPENSE REPORTS

### A. RECEIPTS

It is the general policy that travel and travel related expenditures incurred by a Contingent Worker on behalf of AbbVie are to be paid by the Contingent Worker. Expense reports are required for reimbursement of Contingent Worker business expenses. Expense reports must describe the business purpose of the trip or expenditure. Expense reports with supporting original receipts should be submitted and settled within two weeks after completion of each trip. **Expenses over 30 days old will not be reimbursed.** It is also the general policy that all expenditures must each be supported by an original, paid receipt from the establishment that provided the service. An itemized invoice or itemized credit card receipt must be provided to support all business meals, gifts, hotel, rental car, telephone, purchased service, tolls, parking, mileage, limo and taxi charges. For conference/seminars, a paid confirmation document from the conference or

seminar registrar is required. Moreover, all commercial airline flights must be supported by the passenger receipt of the airline ticket or the invoice/itinerary. Monthly credit card statements and copies of personal checks are not acceptable documentation to support claimed expenses. Costs incurred by a person other than the Contingent Worker will not be reimbursed on the Contingent Worker's Expense Report. No Contingent Worker can approve his or her own travel and entertainment expenses. Reasonable explanations of expenditures, if not apparent on the receipt, should be annotated on the expense report. All expenses are to be documented and not rolled into or included as part of the bill rate. This practice is strictly prohibited as part of the AbbVie Program.

#### B. MISSING RECEIPTS

When receipts are lost or misplaced by the Contingent Worker, the Contingent Worker should first attempt to obtain a copy of the receipt. Where original receipts are not provided, Contingent Workers must sign all copies of receipts, checks and credit card statements. If it is not possible to obtain a copy, the Contingent Worker must prepare and attach to the expense report a "Missing Receipt Form". The Contingent Worker and his/her department manager must sign all missing expense report receipt forms.

### VII. PHONES

AbbVie Business-related telephone and cell phone charges are reimbursed providing the business calls are highlighted on an original, itemized invoice attached to the expense report and further provided that reviewing department manager approves the expense. Cell phone purchase, lease, repair/servicing, and associated installation costs will not be reimbursed.

### VIII. INCIDENTAL PURCHASES

Incidental purchases are not a reimbursable expense.

### IX. PROFESSIONAL DUES

Professional dues are not a reimbursable expense.

### X. FALSIFICATION OF DOCUMENTS

Falsification by a Contingent Worker of any documentation may result in disciplinary action up to and including termination of the Contingent Worker assignment. Rolling expenses into bill rates is not allowed under the AbbVie program.

### XI. FAQs

*When traveling to an offsite program, when does the Contingent Worker's time begin?*

When the event is local the Contingent Worker should not be logging hours until they arrive at the program and should not continue logging hours after departing from the program. When the event is not local, requiring flight or other long distance travel, the Contingent Worker can log hours from the time of departure to the time of arrival. Once the worker has arrived hours are only logged for work related activities.

*When should a Worker begin to calculate mileage?*

For mileage expenses, the Contingent Worker should calculate the distance traveled to and from the destination less the distance to and from their normal work site.