

TRAVEL AND BUSINESS EXPENSE REIMBURSEMENT

Purpose

NTT Training (NTT) will reimburse employees for reasonable travel and business expenses incurred, subject to the guidelines, approvals and procedures described in this policy. The specific types of expenses that are eligible for reimbursement, and the procedures for requesting reimbursement, are contained in the following sections:

- Section 1 - Business Travel Expenses
- Section 2 - Miscellaneous Business Expenses
- Section 3 - Expense Reimbursement Requests & Procedures
- Section 4 - Expense Reimbursement Payments
- Section 5 - IRS "Accountable Plan"

It is expected that NTT employees will exercise appropriate care when incurring travel and business expenses. NTT employees **must** provide a valid business reason and obtain specific written approval from an Authorized Approver¹ **before** incurring expenses that exceed U.S. averages² or for expenses outside of this policy.

Section 1- Business Travel Expenses

Employees **must** use SAP Concur (or other current/designed expense program or method specified by an Authorized Approver³) to book air transportation, rental cars, and lodging.⁴ NTT reserves the right to deny an employee's expense reimbursement request for air transportation, rental car, lodging, etc., **not** properly booked Expense reimbursement requests that are **not** approved become the responsibility of the employee. All expenses require a receipt to be submitted, including air transportation, lodging, and rental cars booked through SAP Concur and/or the company credit card.

The employee has the option to setup the Travel Coordinator as delegate in SAP Concur for both expenses and travel.

Business travel expenses that exceed current US averages will need prior written approval from an Authorized Approver.

¹ Authorized Approver includes and is limited to the President, Director of Commercial Operations, and the Operations Director.

² Based upon GSA (U.S. General Services Administration) rates for the area of travel. Refer to the GSA website for daily rates <https://www.gsa.gov/travel>.

³ Authorized Approver includes and is limited to the President, Director of Commercial Operations, and the Operations Director.

⁴ Exceptions may be made if an employee is able to find a significantly less expensive flight or hotel stay outside of SAP Concur, with pre-approval from an Authorized Approver.

Air Transportation

Employees may purchase premium coach airfare (business class permitted for international flights with pre-approval from the President), considering airports, arrival and departure times, connection times and other restrictions including cancellation and change fees.⁵

Travel that is less than two hundred and fifty (250) miles one-way, will need prior written approval from an Authorized Approver to purchase airfare in lieu of driving.

The following criteria will be used to determine lowest available airfare:

- The flight's departure or arrival time should be within two (2) hours before or after the employee's requested departure or arrival time.
- The employee may request that the Travel Coordinator book travel for the work order they have been assigned.
- One-stop or connecting flights may be required if savings of \$200 or more can be achieved.
- Non-refundable tickets are to be booked unless directed to do otherwise by an Authorized Approver.
- Wholesaler and discount consolidator fares (e.g., Orbitz, Priceline, Expedia, booking.com, etc.) are often available for last-minute travel and **must** be explored and utilized when lower fares are recognized.
- To take advantage of discount fares, air reservations should be booked and ticketed **not less than fourteen (14) days prior** to the planned departure date. Air travel booked and ticketed within seven (7) days from planned departure date resulting in higher fares are required to have purchase approval from an Authorized Approver.

Baggage Fees

Curbside baggage fees are **not** reimbursable. Airline self-check kiosks and ticketing desk bag fees are reimbursable if your status does **not** waive such fees. NTT will reimburse for gratuities for baggage handling.⁶

EarlyBird Check-In & Premium Economy Fees⁷

Southwest: EarlyBird Check-In fees on Southwest are reimbursable.

Premium economy fees are reimbursable for the following airlines and programs:

- Delta Airlines: Delta Comfort+
- American Airlines: Main Cabin Extra
- United Airlines: United Premium Plus
- Alaska Airlines: Premium Class

Changes and Cancellations

NTT is **not** required to but may, in its reasonable discretion, reimburse employees for penalties and other charges incurred for flight cancellations or changes, taking specific circumstances into consideration.

⁵ Exceptions will be made for employees with approved travel accommodations under the Americans with Disabilities Act (ADA).

⁶ **Not** to exceed \$3.00 per bag, at the airline only.

⁷ Seat fees for premium economy seats will be reimbursed if the employees' status does not allow for premium selection for free.

In-flight Internet

In-flight Internet fees are reimbursable when access is required for NTT business needs.

Non-reimbursable Air Transportation Programs & Expenses

NTT will **not** reimburse employees for, in-flight movies or other personal entertainment expenses, airport or airline clubs, lounges, or memberships.

NTT will **not** pay for TSA Precheck, Global Entry, or Clear. These programs will often be paid for by your airline rewards programs.

Personal Vehicles

If an employee is required and has obtained written prior approval to use their personal vehicle for business purposes, they will be reimbursed at the active mileage rate⁸ for the time of travel in lieu of actual expenses for gasoline, oil, repairs, insurance, etc. Employees will be reimbursed for mileage that is **not** a part of their standard home to workplace commute. However, NTT, in its sole discretion, may deny de minimis mileage reimbursement requests.

Employees traveling in a personal vehicle more than five hundred (500) miles round trip **must** obtain prior written approval from an Authorized Approver.

Expense reimbursement relating to the business use of an employee's personal vehicle **must** utilize SAP Concur's map/mileage calculator and include the date of the trip and business purpose. No other form of documentation will be accepted. The following items are also required in SAP Concur: Tolls and parking costs are reimbursable. However, NTT will **not** reimburse employees for expenses such as parking tickets, vehicle repairs and maintenance, fines related to moving violations, vehicle towing charges, or related items.

Employees using a personal vehicle for business purposes **must** ensure that their automobile insurance covers business travel. NTT will **not** reimburse employees for automobile insurance costs.

Rental Cars

If an employee is required to rent a car for business purposes, NTT will reimburse employees for the reasonable cost of the rental car, gasoline, tolls, and parking. Employees **must** reserve an economy or standard-sized vehicle through SAP Concur using a vendor with whom NTT has a negotiated preferred rate agreement. Failure to use SAP Concur or a preferred vendor may result in the request for reimbursement being denied.⁹ Expense reimbursement requests that are **not** approved become the responsibility of the employee. This includes rentals that are made with a company credit card.

Employees **must** obtain and provide an itemized receipt that is required to be submitted through SAP Concur for all car rentals.

⁸ IRS standard mileage rate of operating an automobile for business.

⁹ Employees may use their personal loyalty program rates or client program rates to rent a vehicle if the total rate does **not** exceed the NTT preferred vendor rate agreement and with **prior** approval from an Authorized Approver.

NTT's insurance will cover both the employee and the vehicle when a vehicle is rented for business purposes. Accordingly, employees should **not** purchase additional insurance coverage from the rental car company and will **not** be reimbursed for purchasing rental insurance coverage.

Should an employee have an accident or damage claim to the rental car, contact your supervisor and one of the Authorized Approvers¹⁰ immediately or as soon as possible to do so. Include pictures, details, names, and other pertinent information.

Tolls and parking costs are reimbursable. However, NTT will **not** reimburse employees for expenses such as parking tickets, vehicle repairs and maintenance, fines related to moving violations, vehicle towing charges, or related items.

Ad-on services such as satellite radio and pre-paid fuel are not reimbursable. Rental cars should be returned with appropriate level of gasoline to avoid refueling charges.

Ground Transportation

Employees will be reimbursed for ordinary and reasonably priced ground transportation, including buses, shuttles, taxis, Uber/Lyft (and other car services) to and from airports or railroad stations and between the employee's hotel and business/training locations. Employees **must** choose the least expensive method of transportation that reasonably meets the employee's scheduling and business/clients' needs.

Rail Transportation

Employees may use rail transportation when it is less costly than air transportation. Employees are expected to choose the lowest, most reasonable fare available, considering arrival and departure times, connection times, and other restrictions, including cancellation and change fees. Reimbursement of penalties and other charges for cancellations or changes is governed by the rules applicable to air transportation, as described above.

Hotels and Lodging

NTT will reimburse employees for the cost of standard accommodations in a reasonably priced hotel for overnight stays during business trips. Hotel reservations **must** be booked through SAP Concur¹¹ and should be made in such a manner as to secure the best available rate. Accordingly, if given the option and it reasonably meets the employee's scheduling and business needs, employees should select hotels with which NTT direct bills.

Obtaining receipts is the responsibility of the employee and receipts **must** be submitted in SAP Concur, including those paid for by the company credit card.

¹⁰ Authorized Approver includes and is limited to the President, Director of Commercial Operations, and the Operations Director.

¹¹ Exceptions may be made by an Authorized Approver. Exceptions may include locations **not** served by SAP Concur hotel selection.

Short-term hotel booking is **not** to exceed \$200/day average for the stay without prior approval.

Long-term booking stays, such as Airbnb/VRBO, are **not** to exceed \$100/day. Long-term booking stays **must** be booked with the assistance of the Travel Coordinator.

Employees seeking reimbursement for lodging expenses made outside of SAP Concur **must** submit for reimbursement in SAP Concur and provide an itemized hotel receipt or statement which indicates full payment has been made and contains:

- name and location of the hotel or lodging
- dates of the employee's stay
- separately stated charges for lodging, meals, telephone, or other expenses

Cancellation Fee

NTT is **not** required to but may, in its reasonable discretion, reimburse employees for penalties and other charges incurred for room cancellations or changes, taking specific circumstances into consideration.

Laundry and Valet

NTT will **not** reimburse employees for laundry and valet services, except for travel lasting seven (7) consecutive days or longer, in which case NTT will reimburse reasonable laundry and valet expenses. Employees should choose the least costly laundry and valet services that reasonably meet the employee's scheduling and business needs.

Internet Fees

Internet fees are reimbursable when access is required for NTT business needs.

Movies and Personal Entertainment

NTT will **not** reimburse employees for hotel movies or other personal entertainment expenses.

Incidentals

NTT will reimburse employees for gratuities for porters, housekeeping, and hotel other staff.¹²

Meals While Traveling

NTT will reimburse employees **up to** the General Service Administration (GSA) daily limit¹³ while on overnight travel or when an employee is away from their normal work location. Reimbursement up to the GSA daily limit is for the employee only, and **not** for travel companions.

GSA publishes Continental US (CONUS) tables for each local or metropolitan area annually. The daily GSA limit includes all meals, gratuities, and incidental expenses. The GSA daily limit is

¹² Daily gratuities **not** to exceed \$5.00 per person.

¹³ Based upon GSA (U.S. General Services Administration) rates for the area of travel. Refer to the GSA website for daily rates <https://www.gsa.gov/travel>.

prorated for partial days of travel away from home according to the GSA guidelines. All requests for reimbursement **must** be documented via receipt.¹⁴

The employee may purchase food groceries in lieu of restaurant dining. The employee is expected to use reasonable judgement regarding the cost of grocery purchase(s). Non-food grocery items are **not** reimbursable.

Alcohol is **not** reimbursable.

Accompanying Spouse/Child/Children

NTT will **not** reimburse employees for any expenses relating to a spouse, child/children, or other companions that might accompany the employee on travel.

Loyalty Points/Discounts

Employees may setup their individual profile in SAP Concur to take advantage of their personal loyalty programs or discounts (e.g., military, government, etc.)

Section 2- Miscellaneous Business Expenses

All requests for reimbursement, along with appropriate supporting documentation, **must** be submitted through SAP Concur **within thirty (30) days** of incurring the expense(s).

Conferences and Professional Development

NTT will reimburse employees for registration/tuition fees for the cost of attending professional development and/or continuing education programs approved in advance by an Authorized Approver provided the content of the program is of a substantive nature that relates directly to the employee's current job responsibilities. Related travel costs **may**, at the sole discretion of the Authorized Approver, be reimbursed.

Approved conference registration fees and other similar expenses should be paid directly in advance of the event by NTT but may be reimbursed afterwards if prior payment by NTT is **not** possible.

Passports and Visas

NTT will **not** reimburse employees for U.S. passport costs and fees. However, if an employee is traveling for NTT business purposes, and does **not** have a passport, or has an expired passport, NTT will reimburse any required fees to expedite the application/renewal process. NTT will reimburse for Visas issued by a foreign country if the employee is required to travel to that country for business purposes.

Miscellaneous

Purchase of Personal Protective Equipment (PPE) that relates directly to the employee's current job responsibilities is reimbursable with prior approval for an Authorized Approver.

¹⁴ Receipts or other supporting documentation are **not** required for expenses under \$5.00.

NTT Training will **not** reimburse employees for ATM and other bank fees, or for check cashing charges.

Section 3- Expense Reimbursement Requests and Procedures

NTT, in its sole discretion, may deny any expense that was **not** approved in advance, booked in SAP Concur (when applicable), submitted through SAP Concur and/or deemed by NTT, in its sole discretion, to be unreasonable relative to the circumstances. Expense reimbursement requests that are denied will become the employee's responsibility.

Submitting for Expense Reimbursement

Employees **must** submit reimbursement requests through SAP Concur **within thirty (30) days** of incurring the expense.

Air transportation, rental cars, and lodging booked through SAP Concur and purchased using the NTT credit card **must** have a receipt and **must** be submitted with the related work order expense report.¹⁵

Appropriate Supporting Documentation

Expenses submitted through SAP Concur **must** be reasonable and appropriate as noted throughout the policy, and accompanied by original receipts or other appropriate supporting documentation for each expense showing:

- amount paid
- when paid by a credit card, the last four (4) digits of the credit card
- nature of the expense/business purpose
- vendor or provider name and location
- date the expense was incurred and paid

If a receipt or other supporting documentation is **not** available, the employee **must** submit a written explanation of why the documentation cannot be provided. NTT Training, in its sole discretion, will evaluate the explanation and determine whether the expense is reimbursable.

Section 4- Expense Reimbursement Payments

An Authorized Approver will review expense reimbursement requests that are submitted, verify that expenses are permissible under this policy, and that supporting documentation is appropriate. NTT reserves the right to deny any expense reimbursement request that is inaccurate, does **not** include the appropriate supporting documentation, is submitted late, or otherwise fails to fully comply with NTT's policy, as determined by NTT in its sole discretion. Expense reimbursement requests are subject to audit by NTT.

¹⁵ *Employees wishing to register their own credit card in SAP Concur can use it to purchase air transportation, rental cars, or lodging may do so, but will then have to submit for reimbursement in SAP Concur.*

Expense reports are to be submitted **within thirty (30) days** of the final day of the assignment. NTT reserves the right to deny reimbursement of expenses if submitted later than thirty (30) days. Expense reports that are submitted will follow a multi-level approval review. During this time errors or non-conforming information may cause the expense report to be returned to the employee to correct. After final approval, the reimbursements will be deposited, or checks will be processed, in accordance with the bank account information provided in SAP Concur.

Administration of This Policy

NTT is responsible for the administration of this Travel & Business Expense Reimbursement Policy. Abuse of this policy, including falsifying expenses to reflect costs **not** incurred by the employee, may be grounds for disciplinary action up to and including termination of employment.

Any questions about SAP Concur, or submitting expenses through SAP Concur, should be directed to the Scheduling Logistics Coordinator or the Office Operations Director.

Section 5- IRS Accountable Plan

NTT's Travel and Business Expense Reimbursement Policy follows the requirements of the Internal Revenue Service Code Section on Accountable Plans. This means that if an employee is reimbursed for expenses under this policy, the reimbursement will not appear as income on an employee's Form W-2 provided the requirements of this policy are met.

Return of Excess Reimbursement

If an employee receives an excess reimbursement, the employee **must** report and return any excess amount to NTT's Accounting Department within thirty (30) days of receipt, unless otherwise agreed to by the CFO, President, or Director of Commercial Operations. Excess reimbursements that are **not** returned within thirty (30) days are considered income subject to withholding and **must** be reported on the W2.