



TRAVEL & RELATED EXPENSES POLICY

EFFECTIVE DATE: 5/1/2025

The Travel & Related Expenses policy establishes guidelines to ensure consistency, cost-effectiveness, and safety for employees traveling on MSI-related business. All travelers are expected to comply with the guidelines established in this policy to manage travel expenses responsibly. If a circumstance arises that is not specifically covered in this travel policy, then the most conservative course of action should be taken.

General Travel Guidelines:

- All business travel must be pre-approved by the traveling employee's direct supervisor or an alternative designated approver. Requests for travel must include a clear business purpose, estimated costs, and an itinerary.
- Travelers are required to use the most cost-effective traveling options available while maintaining safety, efficiency, and comfort.
- Travelers should book travel at least 14 days in advance whenever possible to secure the best rates.
- All business-related travel paid with MSI funds must comply with MSI accounting and reimbursement guidelines, policies, and practices.
- Any exception to these guidelines must be approved in advance by an executive team member (VP level or above).

Airfare:

- Employees traveling over three (3) hours away from their originating location may choose to fly. Employees traveling to a destination three (3) hours or less away from their originating location must drive unless they can provide documentation that a flight would be a more economical or practical option.
- Travelers must book coach or economy class for all domestic and international flights. Additionally, they are expected to obtain the lowest available airfare that reasonably meets business travel needs.
- The maximum allowable fare for domestic roundtrip airfare/travel is \$500.
- The maximum allowable fare for international roundtrip airfare is \$1,200.
- Flights over six (6) consecutive hours (excluding layovers) may be upgraded to premium economy with prior executive approval.

- Preferred carriers, loyalty programs, and flight aggregators may be used to secure the lowest rate, if available. When booking their own business trip, employees are permitted to keep miles or points issued via airline, hotel, or car loyalty programs, if applicable.
- A baggage fee for one checked bag is reimbursable with an original receipt.

Exceptions:

- Fares exceeding policy maximums must be documented with a legitimate reason and must receive executive approval prior to booking.
- MSI will allow rail transportation provided the cost does not exceed the cost of the least expensive airfare option.

Airport Parking:

To minimize travel-related expenses, employees are expected to use cost-effective parking options when traveling for business. The following guidelines apply to airport parking:

- Use of long-term or economy parking is required. Short-term or valet parking is not eligible for reimbursement unless pre-approved by an executive due to extenuating circumstances (e.g., ADA accommodation, verified security concerns, or same-day travel with limited timing).
- Valet parking is never permitted and will not be reimbursed under standard business travel circumstances.
- The company will only reimburse for up to three (3) consecutive days of airport parking unless longer-term parking is pre-approved in writing by an executive.
- Employees are encouraged to consider rideshare, public transportation, or carpooling to further reduce parking costs when feasible.

Parking receipts must be submitted with the employee's expense report and clearly indicate the parking location, dates, and total amount.

Ground Transportation & Mileage Reimbursement:

All employees driving on MSI business must meet the Driver Eligibility guidelines located in the Driver & Vehicle Safety policy. Additionally, they are required to adhere to the Driver Responsibilities & Expectations.

- Employees traveling to a destination three (3) hours or less away from their originating location must drive their personal vehicle or a rental car unless they can provide documentation that a flight or alternative travel would be a more economical or practical option.
- **Please note:** Employees who receive a company car allowance are not permitted to rent a vehicle when traveling by ground transportation on company business. The car allowance is intended to cover the cost of maintaining and using a personal vehicle for business

purposes, including travel. This provision does not apply to employees traveling by air that need to rent a vehicle upon arrival to their destination city.

- Vehicle rental at the Travelers destination city is reimbursable through Avis Car Rental; however, a rental car should only be booked at a destination city when public or shared transport is impractical. Use of rideshare services (e.g., Uber, Lyft) or public transportation (where available) is encouraged for short or local trips.
- Vehicles must be rented through Avis Car Rental (www.avis.com). To secure the lowest rate, use the following Avis Worldwide Discount (AWD) code when making your reservation: **T150246**. If renting through Avis is not an option at the destination city, the Traveler should select the lowest reasonable rental car option available. If an alternate car rental company is used, documentation will be required to support the need for utilizing this option. MSI reserves the right to withhold or deny rental car reimbursement for failure to comply with this policy requirement.
- Rental cars should be mid-size or smaller unless larger vehicles are needed for legitimate business purposes (e.g., transporting equipment or group travel). Prior executive approval is required for any rental car upgrades.
- The maximum allowable rental rate for reimbursement is \$75 per day (before taxes and related fees). Original receipts are required for rental car reimbursement. The date, points of departure/arrival, and the total cost must be clearly visible.
- Employees are required to refuel before returning their rental car to avoid service fees and more expensive fuel rates. Fuel for a rental car is reimbursable only with a receipt.
- Parking fees, tolls, and other incidental costs that may be associated with a rental car are not generally covered by the rental agreement. These items may be eligible for reimbursement with an original receipt.
- Employees using their personal vehicles for approved business-related purposes will be reimbursed for approved mileage at a rate of \$0.40 per mile. To account for the average commuting distance when traveling, 25 miles will be deducted to and from an employee's first location (each way). Therefore, 50 miles will be deducted from the total mileage submitted for reimbursement per day.

- **Reimbursement Formula:**

Total Miles Traveled – 50 Miles = Reimbursable Miles

Reimbursable Miles x \$0.40 = Total Reimbursement

Example: An employee drives 80 miles round trip to visit a store location.

80 miles – 50 miles = 30 reimbursable miles

30 miles x \$0.40 = \$12.00 reimbursement

- The 25-mile deduction (each way) applies per trip and must be factored into all mileage reimbursement submissions, regardless of the employee's actual commute distance. If multiple trips are completed in one day, total mileage for the day should be reduced by 50 miles only once. The per day deduction does not apply to overnight travel. In the case of overnight travel, 50 miles should be deducted from the total trip mileage.
- Mileage should be calculated using the most direct route from the employee's home or primary work location to the destination.
- **Please note:** Employees receiving a car allowance are not eligible for mileage reimbursement. A car allowance is intended to cover all auto-related expenses including mileage, tolls, parking, etc.
- **Important:** Employees using their personal vehicles for **authorized customer deliveries** will also be reimbursed for mileage at a rate of \$0.40 per mile. Mileage reimbursements for **customer deliveries must include the following:**
 - Completed mileage log with trip date, purpose of travel, total miles driven, etc.
 - Customer receipt or visit documentation as proof of business travel. Acceptable documentation includes:
 - Signed customer receipt
 - Delivery confirmation
 - Sales receipt

Failure to provide appropriate documentation of a customer delivery may result in delayed or denied reimbursement.

Hotel/Lodging Accommodation:

- The cost of overnight lodging (room rate, tax, and required service charges only) may be reimbursed if the authorized travel is 150 miles or more from the Traveler's home or primary worksite.
- Hotel or lodging accommodations should prioritize cost-effective options that provide safety, cleanliness, and proximity to the business location.
- MSI will reimburse lodging expenses at reasonable, single occupancy or standard business room rates. Maximum hotel rate per night (before taxes):
 - Standard markets: \$175
 - High-cost markets (NYC, San Francisco, etc.): \$250
- Travelers should avoid luxury hotels unless no alternatives are available. Supporting documentation will be required to justify this expense.

- Travelers will be required to present a personal credit card at the time of check-in to cover incidental charges such as room damage, etc. The hotel will typically place a temporary hold on the card for such charges. Travelers should ensure their card has sufficient available funds or credit to cover the hotel's incidental hold. This hold is the responsibility of the traveling employee and will be released in accordance with the hotel's policies. The company does not cover incidental expenses. If a traveling employee does not have a credit card or anticipates any issues at check-in, they must contact their manager at least 5 business days in advance of their travel date to make alternative arrangements.
- Parking fees associated with hotel/lodging are reimbursable with a receipt. The lodging bill can be used as the parking receipt when charges are included as part of the overnight stay. Please note: Additional lodging services (e.g. mini-bar, pay-per-view, spa, dry cleaning, etc.) are not reimbursable.

Exceptions: Higher lodging rates require executive pre-approval with documented justification.

Meals:

- Travelers will be reimbursed for reasonable meal expenses incurred during overnight business travel.
- Alcohol is not reimbursable unless it is part of a client entertainment event and is approved by an executive in advance.
- \$60 is the **maximum daily reimbursement allowed for meals** (including tax & tip) while on regular business travel. Original, itemized meal receipts are required for reimbursement.
- Meals included in conference fees, hotel stays, or flights should not be claimed separately or submitted for reimbursement.
- Group Meals:
 - The highest-ranking executive present is required to pay for and submit expenses for the group.
 - A list of attendees and the business purpose must accompany an itemized receipt.
- There may be circumstances when traveling to attend company-required training may cause an undue financial hardship for an employee. In these specific situations, a training travel per diem may be approved and provided to the Traveler in advance of traveling.
- A training travel per diem is intended to cover all meals, and any incidental expenses including service tips, etc. Per diems must be approved by Human Resources and will only be allowed in rare circumstances for overnight travel to attend required training.
- Daily per diem amounts may vary depending on the training location, requirements, etc. Contact Human Resources for per diem approval and the daily per diem amount. Receipts are not required for per diem allowances.

Travel Expense Reimbursement Guidelines:

It is MSI's policy to reimburse employees for reasonable and necessary expenses incurred during approved business-related travel. Reimbursement of travel expenses is based on documentation of reasonable and actual expenses supported by the original, itemized receipts. Travelers should review the following reimbursement guidelines before spending personal funds for business travel to determine if such expenses are reimbursable.

Reimbursement for business-related travel expenses will only be allowed when payment or reimbursement has not been, and will not be, received from other sources. By submitting an expense for reimbursement, the Traveler is acknowledging acceptance of the terms and conditions of reimbursement. The Traveler is also attesting that the expenses requested for reimbursement are legitimate and have not been previously paid through a prior submitted expense report, per diem, cash advance, an MSI-issued credit card, or other third-party source.

- Travelers who use personal funds to facilitate travel arrangements will not be reimbursed until after the trip occurs and proper documentation is submitted.
- Expense reports must be submitted within 10 business days of the trip's conclusion.
- Expense reports must include:
 - Original, itemized receipts for expenses
 - Purpose of the trip
 - Names and titles of individuals involved in any group expenses.
- Approved expense reports will be processed no later than the next pay date following expense approval.
- Business-related expenses including photocopies, internet charges, data ports, faxes, and business calls incurred while on travel, may be reimbursed. Original itemized receipts are required.
- Visa, passport fees and immunizations are the Traveler's responsibilities. These items will only be reimbursed if required as a specific and necessary condition of a business-related travel assignment, not including an employee prize, gift, or award (e.g. Champions Club Trip, etc.) See additional non-reimbursable expenses below.
- The following list of items will not be reimbursed by MSI. Please note, this list is non-exhaustive. Non-reimbursable expenses include:
 - Personal travel or leisure expenses including haircuts or personal grooming, laundry or dry cleaning, evening or formal wear expenses, expenses for family members or guests, social activities & related incidentals, etc.
 - Alcohol (except as noted above)

- Airline club memberships or airline upgrades
- Room or car rental upgrades
- Travel accident insurance premiums or purchase of additional travel insurance
- Childcare, babysitting, house-sitting, or pet-sitting/kennel charges
- Commuting between home and the primary work location
- Costs incurred by the Traveler's failure to cancel travel or hotel reservations in a timely manner
- Movie rentals, in-room/in-flight entertainment, or mini-bar items
- Fines or tickets (e.g., parking or traffic violations)
- Other expenses not directly related to the business travel

In cases when vacation or personal time is added to business-related travel, any cost variance in airfare, car rental, or lodging must be clearly identified and approved in advance. MSI will not pay for an employee's personal travel expenses. Additionally, the company will not "pre-pay" any personal expenses with the intention of being "repaid" at a later time.

Additional costs for travel, lodging, meals, or other travel expenses for spouses/partners, family members, or other personal guests will not be reimbursed unless the individual has a bona fide company purpose for engaging in the travel or attending the event. Such travel is generally limited to senior or executive management and should occur infrequently.

MSI reserves the right to withhold or deny reimbursement of travel-related expenses if there is reason to believe the expenditures are inappropriate or extravagant, or for failure to comply with this policy.

Roles & Responsibilities:

Traveler:

The Traveler is an employee that will be working away from their primary work location (typically overnight) for business-related purposes. They are responsible for:

- Obtaining their manager's approval of the business-related travel purpose and travel details before making any travel arrangements.
- Reviewing the Travel & Related Expenses policy and verifying that any planned/foreseeable travel expenses are eligible for reimbursement.
- Selecting the lowest reasonable travel arrangements including method of transportation, lodging accommodations, etc.
- Confirming flight and hotel/lodging arrangements prior to travel date to ensure the schedule and booking are correct. Charges due to scheduling errors or personal travel changes will not be paid or reimbursed by MSI.
- Maintaining original, itemized receipts to submit for reimbursement of travel-related expenses. Expenses without this documentation will not be reimbursed by MSI.

- Timely submission of an expense report with appropriate documentation to support the expenses submitted for reimbursement. The expense report must be submitted no later than ten (10) days after the completion of the trip.

Approver:

The Approver is an employee authorized to approve the expenses of others. Typically, this will be a Travelers immediate manager or skip-level manager (manager's manager). The Approver is responsible for:

- Pre-approving the business-related need for the travel and the Traveler's specific travel arrangements in advance. This includes reviewing and approving their dates and method of travel, lodging accommodation, arrangements for local travel at destination (e.g. rideshare, rental car), etc. to ensure compliance with MSI policy.
- Ensuring their employee is eligible to drive on behalf of the company (based on the requirements outlined in the Driver & Vehicle Safety Program), if applicable.
- Reviewing expense reports and related documentation to verify that all expenses are allowable, appropriately substantiated with original, itemized receipts, and submitted timely in accordance with MSI policy.
- Approving or rejecting their employee's expense report in a timely manner, typically within 48 business hours of expense report submission.

Travel Safety:

The safety and well-being of our employees is a top priority. When traveling on behalf of MSI, employees are expected to exercise good judgment and follow these (non-exhaustive) safety guidelines:

- Adhere to destination-specific safety protocols, including local health guidelines and emergency procedures.
- Share your final travel itinerary with your manager and remain reasonably accessible while traveling.
- Update or confirm your emergency contact information before traveling.
- Avoid high-risk areas, especially when alone or at night, unless essential and pre-approved by leadership.
- If you feel unsafe or experience an emergency while traveling, follow local emergency protocols and/or call 911. Contact your manager or skip level manager when reasonably able to do so.
- Secure all personal belongings, company devices, and sensitive materials at all times.
- Only use reputable transportation providers (e.g. major car rental companies, well-rated ride share apps, official taxi services, etc.)

- Verify room safety features at check-in (e.g. doors, locks, peepholes, etc.) Avoid sharing your hotel location with unknown individuals and refrain from displaying room numbers publicly.

Failure to comply with this policy may result in non-reimbursement of expenses or additional disciplinary actions. Managers and employees are responsible for ensuring adherence to the guidelines and promoting safe, cost-conscious travel behavior.