

# Supplier Travel and Expense Policy

Rev.	Approvers	Effective Date
1	Efrain Garza (Global Sourcing Leader) Khia Chukudebelu (Global Travel & Expense CoE Leader)	April 1, 2020

## Scope

This Baker Hughes Supplier Travel and Expense Policy (applies to Supplier, Contractors, Consultants or Vendors traveling on Baker Hughes-related business for travel and expense (“T&E”) which is reimbursable by Baker Hughes. Baker Hughes will reimburse Suppliers’ reasonable and necessary Travel expenses incurred in the conduct of Baker Hughes business (or as otherwise permitted by this policy). Supplier associates that have a Baker Hughes-issued single sign on (SSO) number are recommended to use the Baker Hughes Travel Management Center for all business-related travel arrangements and expenses that are reimbursed by Baker Hughes, unless otherwise directed by the designated Baker Hughes Project Manager. Personal travel arrangements may not be booked via the Baker Hughes Travel Management Center (TMC). More information about the Baker Hughes Travel Management Center (TMC) can be found [here](#).

## Submission and Approval Requirements

Supplier associates are expected to submit expense reports to Supplier in accordance with Supplier’s company guidelines. Designated Baker Hughes Project Managers will receive periodic statements from the Supplier in order to review and approve the appropriateness of trips and reasonableness of expenses for each Supplier associate. All Travel expenses are to be invoiced to Baker Hughes with no markup either separately or clearly itemized on invoices. Receipts are required for all Travel expense items of \$25 or more. Supplier associates who travel regularly for Baker Hughes should contact the Baker Hughes Travel Manager to create a non-employee travel profile. Once the profile has been created, supplier associates should use the Baker Hughes Travel Management Center for all Baker Hughes-related travel arrangements, unless otherwise directed by the designated Baker Hughes Project Manager. Any exceptions to the requirements set forth in this Supplier Travel and Expense Policy requires pre approval from designated Baker Hughes Project Manager.

## Transportation

### Air Travel

- Suppliers are required to fly economy class for all flights, regardless of duration.
- Suppliers are expected to take the lowest reasonable fare available.
- Associates may retain credits from frequent traveler programs. However, travel plans, routing requirements, etc., should not result in additional expense to Baker Hughes nor require an increase in travel time during regularly assigned working hours.
- The cost of upgrading an airline ticket to another class is not reimbursable.
- Many airlines now charge for either the first or second item of baggage checked. Baggage fees are generally reimbursable, however Suppliers are expected to minimize the occurrence of these fees and only check the fewest bags possible. Additional checked baggage as required for business needs are also allowed, but Supplier should follow the business policy and applicable laws for shipping equipment, tools and/or merchandise.
- Many airlines charge for meals and snacks. Meal fees are generally reimbursable.

- Other ancillary fees charged by airlines for optional services are considered personal charges and may not be submitted as T&E. These include, but are not limited to, fees for early boarding, assigned seats, preferential seating (aisle, window, exit or other rows), class of service upgrades, and entertainment.

## **Ground Transportation**

- Use hotel/airport shuttle services when practical.
- For car rental, take the lowest rate considering necessary requirements.
- Book smallest rental car practical for traveler's purpose.
- When using a personal vehicle, Supplier will be reimbursed at current IRS (or other applicable standard) rate per mile, which covers depreciation, insurance, and gas.
- Minimize Baker Hughes costs on rental cars by declining Collision Damage Waiver in the U.S. (covered under Baker Hughes contract programs); returning rental cars with a full tank of gas (gas will be reimbursable).
- Baker Hughes will reimburse taxi, bus, shuttle or train fare to Baker Hughes' offices.

## **Living, Meals and Other Expenses**

### **Lodging**

- If applicable, book all hotels through the TMC at the time air reservations are made.
- Reservations will be made at Baker Hughes Preferred full service, moderate or economy properties, depending on the business requirements.
- It is the Supplier's responsibility to be sure that guaranteed hotel reservations are cancelled if they will not be used. Itineraries should be checked for the required cancellation time.

### **Personal Meals**

- Meals are reimbursable provided the Supplier associate is on Baker Hughes business away from the Supplier associate's normal place of business with an overnight stay.
- On a day trip, meals eaten while working in excess of normal business hours or to complete a specific project are reimbursable.

### **Other Reimbursable Expenses**

- Gratuities for bellhop, taxi, meals, etc.
- Highway tolls and parking fees.
- Laundry and dry cleaning services if the associate is away for five consecutive days.
- Telephone and telecom (Internet or Wi-Fi) for Baker Hughes-related business use – avoid expensive mobile phone roaming charges and local or long distance charges from hotels and limit Internet access fees when possible.
- Prior-approved expenses incurred in the production of Baker Hughes-related work

### **General Considerations**

- If applicable, make your own travel reservations (through TMC; requires SSO) and when possible schedule meetings to allow for travel during off-peak hours.
- Take the "lowest fare" airfare recommended by the agent.
- Book tickets as early as possible. Preferably 14 days in advance.
- Use teleconferencing and/or videoconferencing to minimize travel costs.
- Minimize number of associates taking the same trip.

- Consider non-refundable fare for frequent trips to the same location.

## **Expenses Not Reimbursable**

The following items are considered to be of a personal nature, and therefore are not normally reimbursable by Baker Hughes.

- Membership fees for airline, hotel, rental vehicle and frequent flyer clubs
- Any fees or costs associated with membership in a private club
- Incremental costs of double-occupancy over single-occupancy rates for a spouse, family member or other guest unless in connection with a Company event where Baker Hughes has agreed to pay guest-related travel expenses.
- Hotel charges associated with cancellation, where actions were not taken to avoid such charges
- Air flight and other travel insurance (the Company provides insurance for employees)
- Meals provided or other gifts given to family or friends whose residence is used "*in-lieu-of*" a hotel during a business trip
- Parking tickets/traffic violations
- Roadside assistance or auto club memberships
- Personal reading materials and entertainment or recreation items (e.g., newspapers, magazines, books, movies)
- Personal expenses incurred in employee's absence (e.g., lawn care, snow removal)
- Membership in health clubs and associated fees (except for fees charged by hotels for use of fitness center by hotel guests)
- Lost airline ticket application fees
- In-room movies during hotel stays or charges for in-flight movies on airlines
- Charges for barbershops, beauty salons, massages, shoeshine or similar items
- Purchase of clothing, toiletries or medicines (except for preventative medicines, immunizations, and anti-malaria supplies required for travel to specific areas by another Baker Hughes policy or governmental agency recommendation).
- Adult entertainment

## **Unusual Expenses**

- In the event there are valid business reasons to incur expenses not reimbursable under these guidelines, these expenses may be reimbursed with Baker Hughes approval.
- Review unusual circumstances with the Supplier associate's manager in advance.

For any Baker Hughes-related travel involving interaction or working with government officials or healthcare professionals, Supplier associates must fully comply with all applicable requirements set forth in the Baker Hughes Travel & Expense (T&E) Policy, a copy of which can be obtained from the designated Baker Hughes Project Manager. For clarification, contact the designated Baker Hughes Project Manager.