Policy & Procedure: P124

Subject: Travel & Expense Policy

Effective: July 1, 2025

PURPOSE

The Travel and Expense policy provides employees with guidelines to follow for business travel and related expenses.

SCOPE

This policy is applicable to all employees of FST Canada Inc. and Joe Johnson Equipment LLC. o/a Joe Johnson Equipment ("the Company") who conduct business travel and entertain clients.

POLICY

The Travel and Expense policy is designed to act as a guideline for business travel expenses. The primary approach when travelling is to spend prudently. Limits outlined in this policy are intended to be the upper limits for most circumstances. Amounts in excess of the limits should be only for exceptional situations such as expensive destinations (major cities), should be reviewed with manager prior to the expense being incurred, and the reason for the excess coverage should be explained in the expense report submission. **The Company reserves the right to decline expenses that are not in alignment with the guidelines and/or are deemed unreasonable.** Employees may be subject to payroll deductions in this situation to reimburse the Company for the unreasonable expense.

RESPONSIBILITIES

The Company will provide a company credit card to employees who frequently travel or incur expenses as part of their role with the company. Any employees who incur more than $1000.00 per year of expenses must use a company credit card and adhere to the monthly expense claim submission process through Concur. Exceptions to allow use of a personal card for business expenses, versus company card, require written approval from the VP, Finance. In the event that the Company credit card cannot be used, the Company shall reimburse its employees through Concur once applicable receipts and manager approval is submitted.

The Employee is responsible for ensuring that claims for reimbursement or payment are submitted through Concur monthly, and that all expenditures are supported by required detailed receipts. Expenses over $25.00 USD do not require a receipt.

For Business Meals/ Entertainment/ Customer Relations, the following additional information is required before reimbursement will occur:

- Names of all individuals present whether they are employees or non-employees
- Name and business purpose of meal or event
- **Itemized, detailed receipt** showing menu items, taxes and tips

A *Missing Receipt Affidavit* can be completed and used in rare circumstances. Receipts are not required for personal car mileage. Missing receipts or lack of detailed receipts may result in a payroll deduction (if on company credit card) or non-reimbursement (if on a personal credit card). Failure to submit expenses monthly may result in company credit card being revoked.

Authorized Approvers are managers who are responsible to ensure all expenses were incurred for reasonable business-related expenses, applicable receipts are included with each expense, and

ensure employee adherence to the guidelines set out in this policy. Department Managers may have guidelines that are more stringent than outlined in this policy and will communicate those to their department in advance of travel occurring.

TRAVEL EXPENSE GUIDELINES (USD$)

Category	Limits (Tax Additional)	Additional Guidance
Air Fare	Generally, choose the lowest-fare route that reasonably meets travel requirements. Sr. Manager and below level employees must obtain pre-approval from their manager before flights are booked. Economy-plus fares are permitted only for flights that exceed 6 hours straight and must be pre-approved by a VP. Reservations should be made at least 2 weeks in advance of travel. Any flight exceeding $1000.00 requires Manager approval in advance of booking regardless of position in the Company.	Travel should be scheduled only when necessary for business objectives. Schedule flexibility is expected to help minimize cost, but it need not unreasonably invade personal time and convenience. Non- refundable fares should be weighed against thecost- savings and the likelihood of plan changes. Generally, select non-refundable fares if the cost savings exceed the fee for changing theticket.
Air Fare Surcharges	Small charges (up to $25 per flight) for seat selection are acceptable. Luggage fees (1 bag) are considered reasonable if traveling for more than 3 days.	Change fees should be avoided and must have written manager approval before being incurred for any employee who is a Sr. Manager or below level employee.
Hotel	Up to $150 per night – not including taxes or local fees.	Use hotels that have a Company corporate rate when possible. Hotel expenses such as movie rentals or valet parking are not covered.
Meals – Traveling Employee	Up to $20 for breakfast or lunch; Up to $50 for dinner (per person). These are maximums. A maximum of one alcoholic beverage is permitted and should be included in these maximums.	Do not combine the breakfast, lunch and dinner maximum into one meal.

Group Meals/Entertainment **– Employee Attendees Only**	Up to $20 for breakfast or lunch; Up to $50 for dinner (per person). All attendees of the meal must be documented on the expense claim within Concur. These are maximums. A maximum of one alcoholic beverage is permitted per person and should be included in these maximums.	Intended for (a) group meals while travelling out of town or (b) working session in which business is conducted, generally not to exceed one such meeting per quarter for the same group. May also apply to *occasional* employee recognition or departmentaloutings. **The most senior level employee at the meal must pay for the meal.** Any exceptions to this and/or to the meal guidelines, must be submitted for "one-over approval".
Group Meals/Entertainment – Including Customers or OtherThird Parties	Up to $150 per person. All attendees of the meal must be documented on the expense claim within Concur.	Includes food, beverage and/or entertainment of attendees **with a customer or third party in attendance**, where a business benefit is expected. Beverages**,** including wine and liquor, should be no more than moderately priced and should be consumed in moderation. Any exceptions to this and/or to the meal guidelines, must be submitted for "one over approval".
Gratuities on Meals	Up to 20%.	Approach as good service earns 15-20%
Car Rental	No mileage reimbursement is allowed on rental car travel. You can claim reimbursement for the cost of refueling the vehicle, which should be paid with your company credit card. Compact or intermediate class is required, and you must refill the tank rather than incur fuel-filling charge.	Car size exceptions apply to large group travel (3 or more travelers). **Insurance on car rentals should be purchased in all instances when NOT renting through AVIS or Budget in the USA.**
Airport Parking	Travelers should endeavor to park as economically as possible utilizing long-term or remote options when possible. Excessive parking charges may be declined by the Company.	For multi-day trips, use long-term or remote parking. If the costs of driving and parking exceed the cost of a taxi/shuttle, choose the latter.
Taxi Services	Use the most economical taxi service available – rates can vary and result in additional charges.	Tips should generally range between 10%-15%. Uber and Lyft are often the most cost effective.