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I. General Information

a. Expense Reporting Policy

For expenses incurred by an employee, personally:

Employees must submit requests for expense reimbursement timely and accurately for all business expenses. Such expenses must be submitted within 30 days from the date incurred. Untimely expenses may not be reimbursed.

For expenses incurred on an NSM credit card:

Charges incurred on a corporate credit card generate an employee receivable with the same expectation of a timely report. Credit card charges not cleared within 7 days of the transaction may result in suspension of the user's card until the necessary information is provided (GL code, category, and receipt, if necessary). After 60 days, the receivable may result in a payroll deduction initiated by payroll.

b. Navan Travel and Expense Platform

The implementation of the Navan platform contains travel and expenses. While the application is available via the user's desktop browser, the application is optimized for use on a mobile device. And, some functionality may be available only on the mobile application.

The use of these application is intended to streamline the expense and reimbursement processes for both the employee and the AP Department. Navan is the only acceptable platform through which to book travel arrangements, including transportation and lodging. For users who have a corporate travel card, Navan utilizes Artificial Intelligence algorithms to detect and prevent misuse and fraud. The algorithm takes the user's travel arrangements into account and change the expense policy to accommodate the types of spending that may take place while traveling.

When a user's corporate card is swiped, a notification should show up on the user's mobile application which prompts the user to correctly code and provide documentation, if required. The user is required to address the transaction within 7 days of swipe. If the transaction is not addressed, the user's card will be suspended until it is adequately addressed. If the transaction is addressed at the time of swipe, there should be no further action required by the user, provided the expense is within the user's policy. No monthly expense report is required

The user's policy is available within the Navan "Expense" tab at the bottom of the home page within the app then select "My Policies".

These cards are intended for business purposes and may not work at every merchant. In addition, you may not purchase gasoline unless you are on a trip booked within Navan AND you have a rental car through the platform

Navan corporate card distribution for field operations must be approved by the appropriate Divisional Vice President prior to issuance.

All other corporate card distribution must be approved individually by the Chief Financial Officer.

c. Documentation Requirements

Employees are required to accurately and completely:

- Include necessary backup data and supporting receipts (see Receipts section below). If applicable, any additional approval required, such as In-Service approval from the Compliance Department, should also be submitted.
- Explain meals, entertainment, business purpose, and unusual transactions or items as well as include names and titles of those in attendance.
- Provide the origin and destination for all transportation expenses including air and ground.

d. Receipts

The following are required:

- All employees must submit itemized receipts including restaurant receipts above the allowed spend level as noted in the meal section.
- All business expenses on NSM's preferred Travel/CC platform require a detailed receipt if the charge is greater than or equal to \$50; with the exception of manual expenses which require a detailed receipt if greater than or equal to \$10. The receipt copy should be legible and include the date, vendor, amount and itemization of the charge.
- Credit card statements are not acceptable as support for business expenses.
- Lodging receipts must be a detailed hotel bill.
- An air travel receipt should be the passenger copy of the ticket and/or itinerary.
- Rental vehicle receipt must be the traveler's copy.
- Original amounts and dates must not be altered; however, restaurant tips incurred may be added to the receipt. If the original information is incorrect, the discrepancy must be explained.
- Approvers must verify that receipts are submitted and that expenses are reasonable, appropriate, and in accordance with this policy.

Expense Report Approval

Administrators of the expense platform will review transactions which fall outside of the normal policy specifications. Transactions which are outside of policy may be flagged for review by the employee's management hierarchy.

e. Allowable or Reimbursable expenses

General Reimbursement Rules

- Any expense that does not include the proper documentation or approval will not be allowed. Any approved expense that is not compliant with this policy will not be allowed. If a disallowed expense was incurred on a company card, the employee will be required to sign a payroll deduction form to reimburse the company for the unauthorized expense. This may also be completed via Navan if bank information is provided.

Methods of Reimbursement

Reimbursement will be paid to the employee using banking information added to Navan or included on an employee's bi-weekly payroll check.

Timing of Reimbursement

Reimbursement for approved out of pocket expenses will be reimbursement within 3 business days of system approval if the employee has included their banking information to the system. If there is no banking information for the employee in the system, the expense should be through Navan one week before our standard bi-weekly payroll date.

f. Policy Purpose

The purpose of these guidelines is to ensure conformity with Company principles, and to:

- Ensure clarity in policy and consistent understanding among employees of business travel and entertainment policies/procedures.
- Provide guidance as to what travel, entertainment, and other business expense types are eligible for reimbursement (and not eligible for reimbursement).
- Ensure that authorized expenditures comply with tax requirements for deductibility.

g. Policy Effective Date and Review

The effective date of this policy is February 1, 2023. This policy will be reviewed as required, to ensure that the terms are current, fair, and representative of relevant corporate and industry conditions. The Company reserves the right to change this policy at any time, without prior notice.

h. Symposium and Incentive Trips

A specific expense policy for the Symposium and Incentive Trips will be presented in advance to all relevant employees. All employees must follow the specific guidelines for these trips as noted in the respective policy to be reimbursed.

i. Compliance

It is the responsibility of each employee to:

- Understand and comply with this policy and to understand that expenses incurred outside of this policy will not be reimbursed.
- Manage and control business travel and entertainment costs (not to waste Company funds on items inappropriate or unnecessary).

- Accurately document expense reports, with appropriate receipts, and submit them in a timely manner consistent with these guidelines.

It is the responsibility of transaction approvers to:

- Ensure that their employees understand this policy.
- Promptly review expense reports for appropriateness and correctness.
- Approve reimbursements within the Policy and reject those outside of the policy without prior documented approval.

NSM employees, including approvers of expenses, are expected to meet the requirements of this policy. Their activities are subject to management oversight and review of compliance of this policy, including review and audit of expense documentation and compliance with expense policy and operational guidelines and procedures.

j. Non-compliance

The Company assumes no reimbursement obligations for expenses not in compliance with this policy. Employees who violate this policy are subject to disciplinary action that management considers appropriate based on the nature of the violation, which may include termination of employment. Employees are expected to timely report known instances of non-compliance with this policy to management. If you are unsure about the proper course of action, be sure to seek direction.

k. NSM Primary Policy Contacts

For any travel inquiries, please use the Trip Actions app to contact support.

For any expense inquiries, please email expenses@nsm-seating.com.

II. Employee Travel

Employees must complete a trip proposal within Navan for all trips. Trips cannot be taken until your approver approves the trip.

a. Transportation Policies

Business travelers are required to use Trip Actions for booking airline, hotels and rental cars. Business travelers should consistently make economical choices when making these reservations.

Travel arrangements must be made without consideration of personal incentives or frequent flyer credits, unless there is no added cost to the Company. Travel plans should not result in additional expense or loss of time to the Company due to personal considerations.

b. Booking Tool

<https://www.tripactions.com/>

This website is required for all employees for booking travel and managing expenses in compliance with this policy. Please contact expenses@nsm-seating.com for questions or information on setting up your account with the system.

c. Alternatives to Travel

Every employee must first consider if an alternative to travel such as teleconferencing or web conferencing can satisfy business objectives and reduce travel costs.

d. Air Travel Policy

Travelers are required to:

- Accept the lowest logical airfare consistent with business needs. However, employees may elect to fly non-stop even if a lower-priced, connecting flight is available.
- Flights exceeding an individual's policy level will be flagged for review by the Navan Admin and may require additional explanation.
- Book airline reservations through Trip Actions. Do not use other systems i.e., consumer internet sites. These sites are aimed at leisure travelers and are not effective for business since volume negotiations, commissions, and other cost reductions are lost.

Air Travel Class

Employees are required to book economy/coach class for all domestic flights. Flights over six hours may be booked in business class with the appropriate approval by the employee's manager. This approval should be documented.

Airport Parking

Long-term parking at airports and offsite parking facilities are permitted for reimbursement. Rideshare should be used if the cost is less than airport or facility parking. Short-term parking lots are acceptable when there are safety concerns.

Valet parking at the airport will not be reimbursed under any circumstance.

Other Air Travel Expenses

Upgrade Seats or Early Check-In

Upgraded seats are allowed up to \$30 per flight for flights over three hours, including early bird on Southwest. This upgrade should be approved during the pre-trip approval process to be allowed.

TSA Precheck

Employees who are frequent flyers may purchase TSA Precheck. Frequent flyer is defined as six or more roundtrip flights booked annually.

Baggage

Employees are allowed to check one bag per round trip flight unless the trip is greater than 5 nights. Technicians traveling with tools are allowed to purchase oversized luggage if needed for the business trip. Oversize luggage will not be approved for any other instances.

In-Flight Internet

Employees may purchase in-flight internet for business purposes only for flights over one hour up to \$50 per day.

e. Ground Transportation Policy

Personal Vehicle on Company Business

If a personal vehicle is approved for a business trip, reimbursement shall be at the Company's stated mileage rate. Use of a personal vehicle on an extended business trip or on a business trip that includes personal travel must have the prior concurrence of the expense report approver. The approver must consider time, safety, and company liability before authorizing. Employees who use their vehicle on company business must meet state law insurance requirements. The Company will not reimburse an employee's personal vehicle insurance premiums or any accident damage to a personal vehicle.

To be reimbursed for use of a personal car for business, employees must provide within the Navan App:

- Purpose of the trip
- Date and location
- Receipts for tolls and parking
- Mileage log

NSM Corporate Rate per Mile

As of the effective date of this policy, NSM reimburses at for the IRS mileage rate for business related travel using a personal vehicle. Personnel traveling between corporate facilities should utilize the company vehicle, if available. See policy below for use of company vehicles.

Mileage

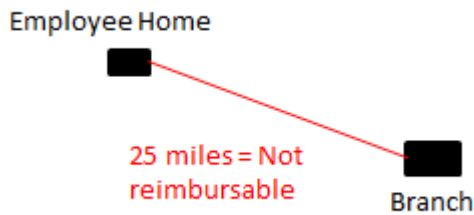
Business travel reimbursement for use of an employee's personal vehicle is calculated using the IRS rate per mile. This rate covers all operating expenses (fuel, oil, repairs, tires, maintenance, insurance, depreciation, etc.); therefore, no further expenses of this nature are reimbursable. Mileage between an individual's home and office is not reimbursable. In cases where employees drive directly from home to a local site that is not the normal workplace, only mileage in excess of their normal daily commute is reimbursable. Remote employees assigned to a branch would use the branch office, not their home, as their tax home for purposes of determining the appropriate mileage to submit.

Employees receiving an auto allowance will not receive reimbursement for mileage or other auto charges. This allowance covers all operating expenses (fuel, oil, repairs, tires, maintenance, insurance, depreciation, etc.); therefore, no further expenses of this nature are reimbursable.

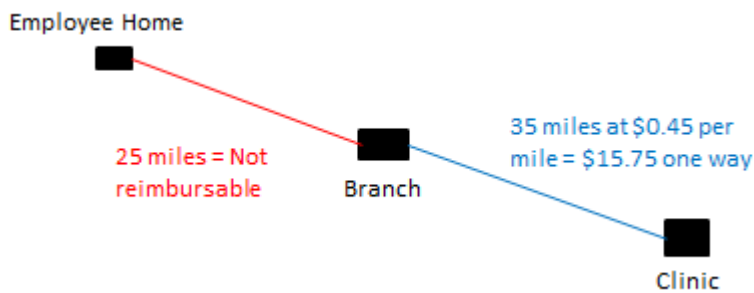
In order to qualify for reimbursement of business mileage, the employee must use the trip calculator in Trip Actions that shows the address of the places visited.

Calculating the “Normal Daily Commute”

If the branch is 25 miles from an employee’s home, their “normal daily commute” is 25 miles.

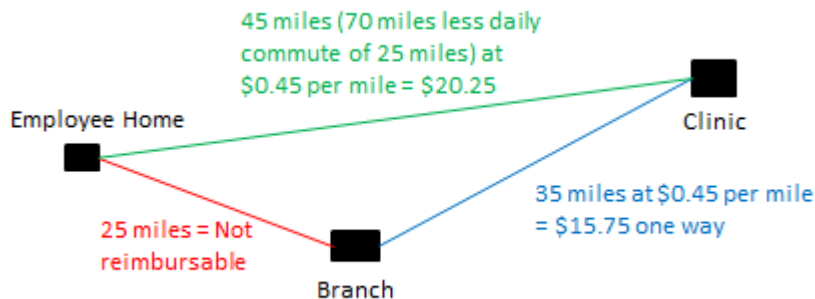


Commuting Example 1: Driving from home to the branch, then to clinic and back home



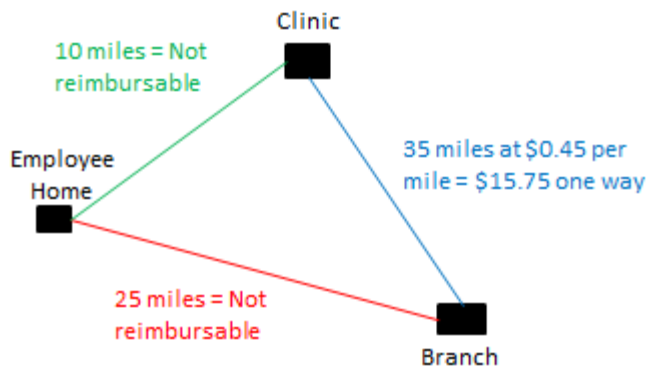
The amount eligible for reimbursement is \$31.50, which is calculated as 70 miles round trip from the branch to the clinic and back at the example corporate mileage rate of \$0.45.

Commuting Example 2: Driving from home to the branch, then to the clinic and back home, when the miles from the home to the clinic exceed the normal daily commute



The amount eligible for reimbursement is \$36.00. This is calculated as the sum of \$15.75 (amount from the branch to the clinic) and \$20.25 (amount from the clinic to home less the normal daily commute).

Commuting Example 3: Driving from home to the branch, then to the clinic and back home, when the miles from the home to the clinic are less than the normal daily commute



The amount eligible for reimbursement is \$15.75. This is because the commuting deduction is more than the cost of traveling to the clinic; therefore, only travel between jobs sites (branch to clinic) is reimbursable.

Vehicle Rental Policy

Employees are required to use the preferred provider as designated in the booking tool. Employees must consider round trip vehicle rental for travel when driving is more cost-effective than airline, rail or mileage reimbursement. When it is necessary to rent a vehicle, the cost of the rental plus tolls, fuel, and parking is reimbursable. Fuel charges, whether refueling before returning the vehicle or upon return of the vehicle, are 100% reimbursable. The pre-paid fuel option is not reimbursable. Employees should refuel before returning the rental vehicle to avoid the penalty charges.

Employees may rent a vehicle at their destination when it is less expensive than taxis, airport limousines shuttles, etc., or there are more than two (2) employees traveling together. Insurance coverage offered by the rental company must be declined in all circumstances.

Rental Car Size Guidelines

Travelers with preferred status with National Rental Car should always book an intermediate car as upgrades to larger cars are included at no cost in the preferred/elite aisle. Procurement will communicate annually to confirm preferred status with applicable travelers.

Employees may accept car rental upgrades only if there is no additional cost to the Company. Upgrade costs for GPS are not reimbursable.

Personal Car Insurance

If an employee elects to use his or her own vehicle for business use, the Company's automobile insurance does not cover damage to their vehicle. Employees should notify their personal automobile insurance carrier if their personal vehicle will be used for business purpose because failure to do so may compromise or void the employee's coverage. Refer to the Auto/Fleet policy for more information.

Company-Owned/Leased Vehicles

Fuel and maintenance cards are provided for all company-owned and leased vehicles assigned to branch locations and should cover fuel, maintenance, and car washes for company vehicles. Although the cards are pre-programmed to detect fraudulent use, any attempts to use the Company fuel/maintenance cards for personal use may result in disciplinary action, up to and including termination.

Personal Use of Company-Owned/Leased Vehicles

Refer to the Auto/Fleet policy for more in depth information. Company-owned/leased vehicles should be used for business purposes (e.g., work order deliveries, business trips) and are not intended for personal use other than commuting. No personal use of vehicle allowed with the exception of de minimus personal travel. Any trips to and from a regular place of work and any other personal use of the vehicle will be taxed appropriately under the applicable IRS commuting rules.

Employees assigned company vehicles should not use personal vehicles on company business except in emergencies and must explain the reason for use of a personal vehicle when expensing mileage within the Navan App.

Tolls

All tolls should be charged to the Company's toll account for non-fleet vehicles. Any tolls which are expensed through Navan, will require a receipt.

f. Lodging Policy

All lodging is to be booked through Navan. Booking made outside of this application may not be eligible for reimbursement.

Such cost includes only the single occupancy room rate and applicable taxes.

Hotel Upgrades

Employees are required to reserve standard rooms only. Employees may accept room upgrades to suites or executive floor rooms only if the upgrade is at no additional cost to the Company. Costs of upgrades are not reimbursable.

Hotel Cancellation Procedures

Employees are responsible for cancelling hotel rooms and must contact either Trip Actions or the hotel directly.

Employees must request and record the cancellation number in case of billing disputes. Employees will not be reimbursed for “no show” or cancellation charges unless there is sufficient evidence that the billing is in error i.e., a cancellation number was obtained.

Other Expenses at hotels

Since the Navan tool will automatically classify a transaction based on the vendor type of the merchant within the VISA network, expenses, such as meals, incurred at hotels restaurants will often be misclassified as a lodging expense. It is the responsibility of the user to correctly identify the expense and provide any documentation which may be required within 7 days. If the transaction is not addressed promptly, the user’s card may be suspended until the transaction is cleared.

III. Meals and Entertainment

a. Employee Meals

Daily spending for meals is not to exceed \$95 per day. Spending in excess of these limits will be flagged for review by the Navan Admin and may be forwarded to the employee’s management for review. See Alcohol Policy in the entertainment section. These spend levels are to be used for all business meals or overnight travel meals.

The only exclusion to these policies are meals including external parties where it is still the expectation that the employee will stay within these spend levels.

When multiple employees are dining together, the senior employee may pay for the meal while remaining within the approved amount for each attending employee or each employee can pay for his/her own meal with separate checks, and provide receipts, as required. If the meal is paid for by the senior person present, all those in attendance should be listed in the Navan app by the person submitting the expense with the receipt.

In-service Meals

Any in-service meal or expense should have a proper business and education purpose and be conducted on an as needed basis. These events require the use of judgment and sensitivity regarding the frequency and cost of such activities. Please refer to the Compliance Manual for additional information. Appropriate receipts and substantiation by the Compliance Department must be submitted, including names and titles of all persons in attendance and the proper business purpose.

Business Meals Taken With Other Employees

For business-related meals taken with other employees, the user may expense ONLY when authorized by the employee’s supervisor or manager for business meeting, training or other appropriate business

purpose. The frequent expense of employee meals whether onsite or offsite is considered to be taxable income for the affected employee and is not permitted.

Day Trip Meals

If an employee is completing a business trip away from home with no overnight stay, meals are allowed if the employee has worked 9 hours and traveled more than 120 miles.

Non-Travel Related Meals

Employees eating together at their normal place of employment may not charge the cost to company expense unless the meal had a documented, specific business purpose.

Meals While on Business Trip

Meals purchased while away from home overnight on company business are allowed to be expensed. Appropriate receipts and substantiation must be submitted, including names of all persons in attendance. No more than two alcoholic beverage per day be reimbursed while traveling on business.

Tipping

Gratuities paid for services provided (valet parking, doormen, housekeeping, drivers delivering food, etc.) should not exceed 20% and be appropriately documented. For reimbursement purposes, tips for meal service should be reported in the total costs for each meal.

Meal Expense Audit

The Accounting and the Accounts Payable departments will perform regular audits of expenses by employee and branch to ensure there is no inappropriate use of company funds for all expenses including onsite and offsite business meals. A proper business purpose should be included with every meal receipt with the exception of meals on a business trip. Inappropriate use of company funds can result in disciplinary actions up to and including termination.

b. Entertainment

Expenses incurred in connection with entertainment activities that involve only NSM personnel are allowed and reimbursable if a valid business purpose is documented with the name of each attendee.

Employees will be reimbursed no more than two alcoholic beverage at a business dinner meal. The cost for this alcoholic beverage may not exceed the allowed daily spending limit when combined with the meal, as stated in the meal section.

Meals and Entertainment with Outside Parties

Any meals or entertainment expenses with outside parties must be directly related to or associated with company business in order to be expensed or reimbursable.

If the outside party is a client, physician or referral source, the meal or entertainment expense must meet the requirements and limits of the Compliance Manual **AND** be preapproved by the Compliance Department (compliance@nsm-seating.com). If the expense is approved, the Compliance Department will provide the necessary information required for transaction reporting and reimbursement. These

expenses will be regularly monitored to ensure compliance. Any exception to this policy should be discussed with the Compliance Department prior to incurring the expense.

c. Branch Holiday Parties and/or Events

Branch or office holiday parties are required to follow the policy in the Employee Handbook in order to be eligible for reimbursed or allowed.

IV. Other Expenses

Professional Association Dues

Annual dues related to professional associations for ATPs are centrally managed by NSM's corporate offices and should not be paid for by the Employees. Other dues will be reimbursed only if approved by the appropriate RVP or the CFO.

Tuition Reimbursement

Tuition reimbursement must follow the Employee Handbook. Tuition may not be paid for with a corporate credit card. To be eligible for reimbursement, the Tuition Reimbursement Form must be supplied in the system with the appropriate payment documentation.

Laptop Bags

A laptop bag is allowed to be purchased through Staples only and is not allowed to be paid on a corporate card or submitted for reimbursement. The cost must be under \$50 and should not be frequent.

Electronics

All electronics that connect to NSM's network, such as but not limited to printers, monitors, scanners, cameras, dongles, cell phones, headsets, copiers, tablets and computers should not be purchased and expensed and will not be allowed. This type of equipment can be purchased by submitting a ticket to NSM Tech Support, procuring the equipment from Staples or submitting a purchase requisition in Microsoft F&O.

Other

Any invoices received at the branch including invoices for office services should be scanned to the invoices@nsm-seating.com. These are not allowed to be paid by the Employee under any circumstances.

V. Gifts and Other Non-reimbursable Expenses

Employee Milestones, Birthdays and Resignations

Expenses for events such as birthdays, anniversaries, resignations, etc. are normally personal and the expenses are not allowed as an expense item or reimbursable by the Company.

Gifts

Gifts, including gift cards, to employees or other parties are not allowed. If a gift or gift card is purchased for an employee, it will be considered taxable wages and included in the employee's W-2.

Any gifts to clients, physicians or referral sources must meet the requirements and limits of the Compliance Manual **AND** be preapproved by the Compliance Department by emailing compliance@nsm-seating.com. If the expense is approved, the Compliance Department will provide the necessary information required for transaction documentation or reimbursement. These expenses will be regularly monitored to ensure compliance. Any exception to this policy should be discussed with the Compliance Department prior to incurring the expense.

Fines

Fines for traffic or parking violations incurred by employees traveling by automobile (personal, rental, or company-owned/leased) on company business and/or personal time are not reimbursable or allowed.

Credit Card Fees/Service Charges

The cost of credit cards obtained by employees is not reimbursable. Late payment and bank service charges on personally owned credit cards are not reimbursable.

Capitalized Equipment

Any charge for equipment or facility improvements should be submitted on a purchase requisition and is not allowed to be charged on a corporate card or submitted for reimbursement.

Charitable Contributions

No charitable contribution should be paid for on an employee's corporate card or submitted for reimbursement. Any request for charitable contribution should be requested using a purchase requisition.

Cell Phone Equipment and Plans

NSM does not reimbursement for personal cell phone plans. All equipment is provided to the employee upon receipt of a company phone. Any additional equipment needed will be a personal expense and is not allowed.

All Other Expenses

If an expense type is not listed in this policy, it is not allowed.

Payroll Deduction Authorization

Employee Name: _____

Emp #: _____

Date Sent: _____

Item Details

Amount

TripActions

Transaction Date

Amount to deduct: _____ \$0.00

I, _____, hereby authorize National Seating & Mobility, Inc. ("NSM") to withhold from my wages the total amount above due to personal expenses on my corporate credit card. I further agree that, in the event my employment shall terminate either voluntarily or involuntarily, prior to the full repayment of the total amount set forth above, I will pay NSM the full amount of any such deficit owing as of the date my employment ends. I represent that this authorization is executed voluntarily and has not been made as a condition of my continued employment.

Employee Signature

Employee Printed Name

Date