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Document Number:	BMS-SOP-6a (007034)
Document Title:	Business Travel

Lifecycle State History:
Date : 01 Jun 2020 00:09:35 (GMT-04:00) Lifecycle State : Effective

Electronic Signatures:
Signed By : Sara Friedlander (friedlas) Decision : Approved Decision Date : 26 May 2020 16:49:14 (GMT-04:00) Role : Approver Purpose : Business Travel Meaning Of Signature : I approve this document as Management.
Signed By : David Elkins (elkinsd1) Decision : Approved Decision Date : 27 May 2020 15:09:12 (GMT-04:00) Role : Approver Purpose : Business Travel Meaning Of Signature : I approve this document as Management.

COMPANY STANDARD OPERATING PROCEDURE

BMS–SOP-6a: Business Travel



PURPOSE

To provide the Bristol-Myers Squibb Company (BMS) principles and expectations for consistent management of **Business Travel**.



SCOPE

In Scope

This SOP is applicable to all BMS employees. It also applies to non-BMS organizations and individuals (Non-BMS Entities) working on behalf of BMS to the extent that they are involved in the subject matter of this SOP, unless the BMS contract with the Non-BMS Entity states otherwise.

Applicable Subject Matter: Management of **Business Travel**.

Note: Defined terms are capitalized and appear in **bold**. Definitions can be found at the end of the document.

GUIDING PRINCIPLES



Principle 1: Travel Classification

BMS reimburses its employees for Business Travel that is incurred outside their normal Commute(s) to or from BMS Business Locations. Business Travel within a normal Commute is considered a personal expense and is not reimbursable.



Requirements

1. A normal **Commute** is travel to a **Primary Work Location** or a **Regular Work Location** from an employee's residence. These expenses are Personal Expenses and are not reimbursable, except as noted in the table below.
 - a. Note: Travel to a **Regular Work Location** by BMS-provided transportation is attributed to the employee as taxable wages.
2. Travel outside of an employee's normal **Commute** is reimbursable as a Business Expense and not included as taxable income, except as noted in the table below.

Travel Expense Classification:	Description of Travel:	Reimbursed?	Unless:
Personal Expense	<ul style="list-style-type: none"> The site <i>is</i> considered either the employee's Primary Work Location or Regular Work Location. 	NO	<ul style="list-style-type: none"> An overnight stay <i>is required</i> at a Regular Work Location. Travel takes place <i>between</i> BMS Business Locations on the same day. Reimbursement is related to overtime work expenses (meals or meal money, or local transportation fare) which are: <ol style="list-style-type: none"> reasonable provided only occasionally provided because overtime work is required after a normal work day provided to enable the employee to work overtime (meals or meal money only)
Business Expense	<ul style="list-style-type: none"> The site <i>is not</i> considered either the employee's Primary or Regular Work Location. The work location is a Temporary Assignment at a BMS Business Location other than the employee's Primary Work Location. Travel takes place between BMS locations on the same day. An overnight stay outside of the employee's Primary Work Location is involved. 	YES	<ul style="list-style-type: none"> The overnight stay occurs in connection with work at an employee's Primary Work Location.



Principle 2: Business Travel

BMS establishes controls around Business Travel and uses Preferred Travel Suppliers in order to minimize its travel costs, provide safety oversight and allow for a positive traveler experience.



Requirements

- Prior to booking Business Travel, as first choice employees must consider alternatives to travel, such as teleconferencing, videoconferencing or web conferencing.
- Adherence to this policy is required. If exceptions to certain elements within this SOP are required, decisions must be guided by business needs. Exceptions require documented pre-trip approval from **Travel Operations**.
- All Business Travel arrangements (airline tickets, lodging, ground transportation, and car rental) must be made via BMS' **Online Booking Tool (OBT)** or **Travel Management Company (TMC)** where available.
 - Exception:** For conferences not hosted by BMS, hotel bookings may be made through the conference host's site or directly with specific hotel properties or chains, provided the hotel booking meets the requirements of this SOP. If a room must be booked via the third party's room block, the reason code in the expense system must be checked as "meeting or conference."

4. Any accident while travelling for business must be reported in the Accident Management System.

5. Air travel

a. Class of service

- i. Coach class is to be booked when traveling within the Continental U.S. (including Alaska), Canada, Mexico and Central America or between the U.S. and the Caribbean (including Puerto Rico), Canada, Mexico or Central America
 - Business class is allowed for “red eye” flights from the West Coast of the United States to the East Coast
- ii. Business class is allowed when one flight segment’s non-stop in-air time is five (5) or more hours with the exception of traveling within the Continental U.S. (including Alaska), Canada, Mexico and Central America or between the U.S. and the Caribbean (including Puerto Rico), Canada, Mexico or Central America, for which only coach class is authorized.
 - Business class is only allowable on the inbound and outbound journey; if you are traveling on days between your first and last day (of journey) within countries of a duration less than 5 hours, those flights should be secured as coach class.
 - Certain airlines allow and include the cost of business class on connections if your long haul journey includes connecting flights. If you are traveling on this type of ticket, it is acceptable to travel all legs of your journey on business class provided the total fare of the ticket is not \$100 (or equivalent) more expensive than each coach class leg and must be booked via BMS’s designated TMC; if the included business class connections runs over \$100 for each connection, then your short connections to ultimate destination should be secured as coach class.
 - For international Business Travel, particularly for daytime travel the employee may opt to book premium economy instead of business class when one continuous flight segment is between 5-8 hours. If you choose to purchase premium economy in lieu of business class, please contact your TMC for processing.
- iii. First class travel and air travel in employee-owned aircraft or aircraft piloted by an employee is prohibited for business use.
- iv. Downgrading a booking or canceling (outside of 24 hours prior) directly with the carrier and keeping the refund for personal use is prohibited. Cancellations need to go through the TMC.
- v. Travelers may not expense an upgraded class of service above what is allowed by this policy. BMS does not pay for the cost of upgraded fares regardless of the method of purchase. Upgrades are permitted if the traveler uses his or her own frequent flyer credits.
- vi. Travelers should not make flight selections based on personal preference (e.g. specific airline preference, frequent flyer program, aircraft type, seat preferences).

b. Employees must consider the cost of travel relative to the most efficient way to meet the traveler’s business purpose when booking airfare.

- i. Airline tickets and all travel reservations should be booked at least 21 days in advance of the departure date, unless business needs or your manager dictate otherwise. If booked inside of 21 days of travel, employees must document the rationale when expensing the travel. This will be identified as out of compliance on your expense entry and an explanation will be necessary for your manager to approve.
- ii. Non-refundable/restricted tickets should be booked and an airfare selected that is not more than \$100 (or equivalent) more expensive than the lowest available airfare, taking into consideration the travel time required to meet the business need.

- iii. Alternate airports must be considered when the fare savings is greater than the additional cost in ground transportation without compromising traveler safety or security.
- c. If a trip is cancelled or modified, the Travel Management Company (TMC) must be notified immediately to ensure that there are no unnecessary airline, hotel or other charges.
- d. All unused airline tickets issued on behalf of BMS for both employees and **Business Partners** remain the property of BMS and must be applied to future business-related travel.
- e. In the event of a flight delay, travelers can only accept compensation from the airline if the in-kind value is approximately \$100 or below, where applicable by law. Other compensation in the form of cash or flight vouchers are considered company assets and should be returned to BMS for future Business Travel use.
- f. Travelers may not voluntarily give up their seat on a company purchased ticket for the sole purpose of receiving compensation from the carrier.
- g. Adding personal travel to a business booking and not documenting or paying for the extra routing as out of pocket is prohibited.
- h. Airline club membership is not reimbursable.

6. Ground transportation

- a. Consider: Employees must use the most practical cost-effective ground transportation available, which may be train, car service, ride share, taxi or shuttle.
- b. Employees may use their personal automobiles, if permitted by law, when less expensive transportation is not available or when it is in the best interest of the company.
 - i. When a privately owned vehicle is used for any BMS business, the vehicle must be insured with coverage for the vehicle's occupants.
 - ii. Employees who use their own automobile to drive to/from the airport for Business Travel or for other company business will be reimbursed for mileage, parking and toll charges over and above normal Commute to work mileage / tolls. Please refer to your local policies for guidance.
 - iii. Company will not reimburse the amount of deductible if an accident occurs.

7. Rental cars

- a. A designated global preferred rental car supplier must be used where available.
- b. Reservations for rental cars must be made via the Online Booking Tool; calls for reservations to the TMC should only be reserved for those requesting pick up from location other than rental car location. All reservations should be made at time of air and/or hotel car reservation(s).
- c. Travelers must decline optional insurance coverage when renting a vehicle from the BMS global preferred supplier for Business Travel. Insurance is automatically included with the BMS corporate rate (including liability and property damage). The insurance coverage is only included if the reservation is made via the TMC or Online Booking Tool. If a preferred provider is not available in the rental market, it is required that insurance coverage be purchased.
- d. Travelers must only pay the rental rate of an intermediate sized rental car or smaller. Employees must share rental cars whenever reasonably possible.
 - Exception: A full size rental car is permitted if three or more passengers are traveling together.
- e. Drivers should refuel the vehicle before returning it to the rental car agency to avoid refueling charges that are substantially higher than market rates.
- f. Upgrades are allowed if at no cost to the company. Luxury automobiles or convertibles are prohibited.
- g. Employees are responsible for understanding all local laws and regulations applicable for their rental. Employees must check directly with the rental car company as rules and regulations change.

- h. High Risk Country Policy – Utilizing rental car services is not allowed when traveling in countries determined to be high risk by Corporate Security. Any traveler must receive approval by Corporate Security to secure car services within a high-risk country.
- i. In the case of an accident or damage to the car, the Employee must follow all legal reporting procedures within country and comply with the rental car company’s instructions on reporting the incident.
- j. GPS navigation system will not be reimbursed.

8. Ride Hailing (Uber, Lyft, Taxi)

- a. The use of ride hailing is encouraged and reimbursable if this is the most economical form of ground transportation and where employee safety is not an issue.

9. Hired car service (e.g., “Black car” service)

- a. Use of hired car service should be limited to:
 - i. When an issue with the traveler’s safety or alertness may exist. Examples include: flight departures prior to 7 am, flight arrivals after 10 pm, or on intercontinental trips (travel between the U.S./Canada/Mexico is not considered intercontinental).
 - ii. When traveling to, from, or within a city or country that may compromise the safety or security of travelers.
 - iii. When the traveler flies into an airport that does not have taxi service to the traveler’s destination and shuttle service/car rental is not practical.
 - iv. When it is the most economical form of ground transportation (inclusive of parking and mileage).
- b. If a BMS-preferred supplier exists, it must be used.

10. Rail service

- a. Trips less than two hours (one way) must be booked:
 - i. In economy class in North America
 - ii. In second class in Europe and Asia
- b. Trips more than two hours (one way) may be booked:
 - i. In business class &/or Acela Express in North America
 - ii. In first class in Europe and Asia
- c. Sleeping accommodations, when necessary, are limited to a roomette or its equivalent.
- d. If using rail service between New Jersey and New York, NJ Transit must be used. Travel on Amtrak for this route is not permitted unless prior manager approval is obtained. Approval must be included on the expense form.
- e. A discounted rail pass is reimbursable for Business Travel. The validity of the pass must not exceed 2 years.

11. Accommodations and lodging

- a. Hotel reservations must be made via the Online Booking Tool at the BMS negotiated rate, where applicable, or lowest available business rate at the time of booking. Reservations should be made at time of air and/or car reservation(s). Difficult hotel reservations should be directed to the TMC for assistance; no hotel reservations should be made directly with any hotel.
- b. Hotel reservations must be made at the BMS-negotiated rate where it exists.
 - i. If no BMS-negotiated rate exists, travelers should book accommodations at the most cost-effective rate for the business need, taking into account the traveler’s safety.

- ii. Do not book non-refundable or pre-paid rates.
- c. All hotel accommodations must be at locations in reasonable proximity to the planned site(s) for business meetings, and proximity and safety must be the primary criteria for selecting the hotel location. Domestic travelers must book select service hotels where available. International travelers may book full service hotels (restaurants, gym, laundry, etc.).
- d. Luxury hotels are prohibited unless the property is listed in the Preferred Hotel Directory located on the [Global Travel Site](#). For **Healthcare Professionals (HCP)** travel arrangements, see [BMS-SOP-3b](#), *Interactions with Healthcare Professionals and Healthcare Organizations*.
- e. Standard room accommodations must be booked at each hotel, unless a free upgrade is applied.
- f. Upon check-in at the hotel, travelers must verify their duration of stay and room rate to ensure that the BMS rate or lowest available rate is received.
- g. Business Travel accommodations through online community marketplaces are prohibited, such as Orbitz and Expedia, or where the owners are unknown to the traveler, such as AirBnB.
- h. Employees are responsible for fully understanding all hotel cancellation policies. All hotel reservations will be guaranteed for late arrival. If a change in itinerary is required, it is imperative that the hotel reservation be promptly cancelled. The TMC must be notified immediately to ensure that the guaranteed reservation is cancelled in sufficient time to avoid the “no-show” charge. If guaranteed reservations are made for an Employee at a particular hotel and the Employee fails to arrive at the designated facility for no legitimate, unavoidable business reason, the Employee will be liable for the “no-show” expense.
- i. If traveler is traveling for five (5) or more consecutive nights, standard laundry and dry cleaning is reimbursable.
- j. If use of gym facility is not already included in room rate, this service is reimbursable.
- k. Employees who choose to stay with family or friends during Business Travel and therefore do not incur lodging expense will not be compensated or reimbursed for buying family or friends thank you gift / meal.

12. Meals

- a. Travelers must refer to the BMS established meal guidelines provided on the [Global Travel Site](#).
- b. Business meals with Business Partners must include substantial business-related discussion regarding a project, interviews for opinions, advice on personnel, academic topics, new ideas, sales, production, science or other business matters.
- c. For meal spend more than 20% over guidelines, a comment must be entered into the expense system with reason.

13. Frequent Traveler Rewards

- a. Participation in rewards program must not influence Business Travel booking decisions.
- b. All accrued rewards for frequent travel or similar benefits belong to the traveler.
- c. Fees to participate in these programs are the responsibility of the traveler and are not reimbursable.

14. Global Entry / TSA

- a. Employees may apply for one global entry program for their country / region (i.e. US – either TSA PreCheck or Global Entry) based on business need and manager approval, and continued renewal reimbursement of said program is allowed.

15. Pet Care

- a) Pet care / pet boarding is not reimbursable. Exceptions for extenuating circumstances require manager approval.

16. Refer to the [Global Travel Site](#) for additional details and guidance relating to the global travel program. If local procedures are more restrictive than this SOP, the more restrictive procedures must be followed.



Principle 3: Travel Safety

BMS is committed to providing a travel experience that minimizes risks to the health, safety, security and operations of all travelers on BMS Business.

Requirements

1. Travelers must take care to ensure that their health needs are being met before and during Business Travel.
 - a. For international travel, seek health advice regarding your destination once you know your travel plans so you may understand any vaccination or personal health requirements that may relate to your particular destination.
 - b. For all travel, creating a travel kit that contains an adequate supply of your personal medications, as well as additional first aid items and over-the-counter treatments, is advised. Travel health advice can be obtained at any BMS Medical Clinic or from your physician.
2. Travelers must book travel to countries according to each country's security level, as found on the [Travel Services page](#).
3. Travelers must provide all personal travel information to the Travel Management Company and within the Online Booking Tool.
4. All travelers with an itinerary that involves crossing a country border must obtain all required travel documents, such as visa, passport or other required documents, prior to the trip departure date.
5. We have engaged a third-party security risk management company to provide a number of services, including a 24-hour emergency hotline where business travelers can obtain assistance for travel security-related issues, including medical air, a security threat, or assistance for a lost/stolen IT device or personal effects. Travelers must use BMS-approved travel applications and websites that provide travel, security and medical alerts before and during all Business Travel to prepare for and remain aware of conditions at their destinations.
 - a. Travelers must first and foremost follow guidance provided by local authorities in the event of a security or weather incident while traveling on BMS business.
6. Air, hotel, and all travel related expenses must be paid by using the approved charge card that the Company provides to employees in accordance with [BMS-SOP-6c](#), *Business Expenses*.
7. BMS limits the number of key executives and employees traveling together to minimize the impact to operations due to any unforeseen events.
 - a. In order to determine the maximum number of individuals reporting to the same leadership that can travel together, discussions should be directed to their management for a decision.

DEFINITIONS

Defined Term	Definition
Allied Healthcare Professionals	A clinical professional who works as part of a healthcare team by providing a range of diagnostic, technical, therapeutic and direct patient care and support services to Healthcare Professionals .
BMS Business Location	A BMS facility wherever located.
Business Partners	Non-employees of BMS, including but not limited to leased workers, consultants, independent contractors, Healthcare Professionals , Allied Healthcare Professionals and employment candidates working for or on behalf of BMS who perform work associated with a specific project or service.
Business Travel	Travel on behalf of BMS' business that is not personal travel. Personal travel includes Commuting .
Commuting (or, "Commute")	Travel between the employee's home and the employee's Primary or Regular Work Location (with certain exceptions described in this SOP).
Healthcare Professionals (HCP)	Any person with prescribing authority or who is otherwise in a position to influence or recommend the prescription, purchase or use of BMS products. This includes, but is not necessarily limited to, physicians, nurses, physician assistants, pharmacists and members of formulary committees. For purposes of this SOP, Healthcare Professionals also includes non-clinical researchers who provide consulting services.
Online Booking Tool (OBT)	Web-based tool used by employees to make travel arrangements such as Concur.
Preferred Travel Supplier	A vendor with which BMS has an arrangement to receive discounts or other advantages for travel.
Primary Work Location	The BMS work location where the employee spends the most time during the year.
Regular Basis	Working at a BMS location at least once a week or 50 or more days per year, other than the employee's Primary Work Location , unless it is for a Temporary Assignment as defined below.
Regular Work Location	A BMS work location that requires travel of less than 50 miles in excess of the employee's normal Commute to the Primary Work Location , to which the employee, for an indefinite period, travels on a Regular Basis , as defined below.
Temporary Assignment	An assignment to work at a particular BMS work location which does not last for more than one year and where travel by that employee to that location before and after the assignment, if any, is infrequent.
Travel Management Company	The BMS designated travel company used to make travel arrangements globally for all BMS employees and non-employees who travel on behalf of BMS
Travel Operations	The BMS team responsible for providing governance, enhancing traveler experience and ensuring safety for all BMS employees and non-BMS entities working on-behalf of BMS

REFERENCES

1. [BMS-SOP-3b](#), *Interactions with Healthcare Professionals and Healthcare Organizations*
2. [BMS-SOP-6c](#), *Business Expenses*



DOCUMENT HISTORY

<u>Effective Date</u>	<u>Version Number</u>	<u>Description</u>
See Signature Manifestation Page	3	<ul style="list-style-type: none"> Revised policy document due to BMS / Celgene integration Harmonized air and rail business class eligibility Advance booking required at least 21 days in advance of departure date Added additional no personal gain at company expense verbiage Added frequent traveler rewards and associated fees belong to the traveler Added Global Entry / TSA PreCheck can be applied based on business need and manager approval
Author(s):	Sara Friedlander	Approvers and Titles: Sara Friedlander, Director Travel, Strategic Meetings, Fleet, Corporate Card David Elkins, EVP & Chief Financial Officer
30 September 2018	2	<ul style="list-style-type: none"> Clarifications related to air travel and ground transportation Emphasized requirement to use Online Booking Tool and to verify rate and inclusions at check-in Added standard laundry service for 5+ night stays and gym fees as reimbursable if not included in room rate Added requirement that meals with spend more than 20% over the guidelines need to have a comment in the expense system at expensing Added use of AirBnB and allowance for pet care
Author(s):	Amee Gullickson	Approvers and Titles: Sara Friedlander, Director Professional Services Procurement Charles Bancroft, Chief Financial Officer
1 April 2017	1	<p>First version. Converted to a principles-based procedural document, replacing:</p> <ul style="list-style-type: none"> BMS-CP-057, <i>Travel</i> BMS-CD-057a, <i>Travel</i> BMS-CP-024, <i>Business or Personal Travel Classification</i> BMS-CD-024, <i>Business or Personal Travel Classification</i>
Author(s):	Amee Gullickson	Approvers and Titles: Sara Friedlander, Director Professional Services Procurement Charles Bancroft, Chief Financial Officer