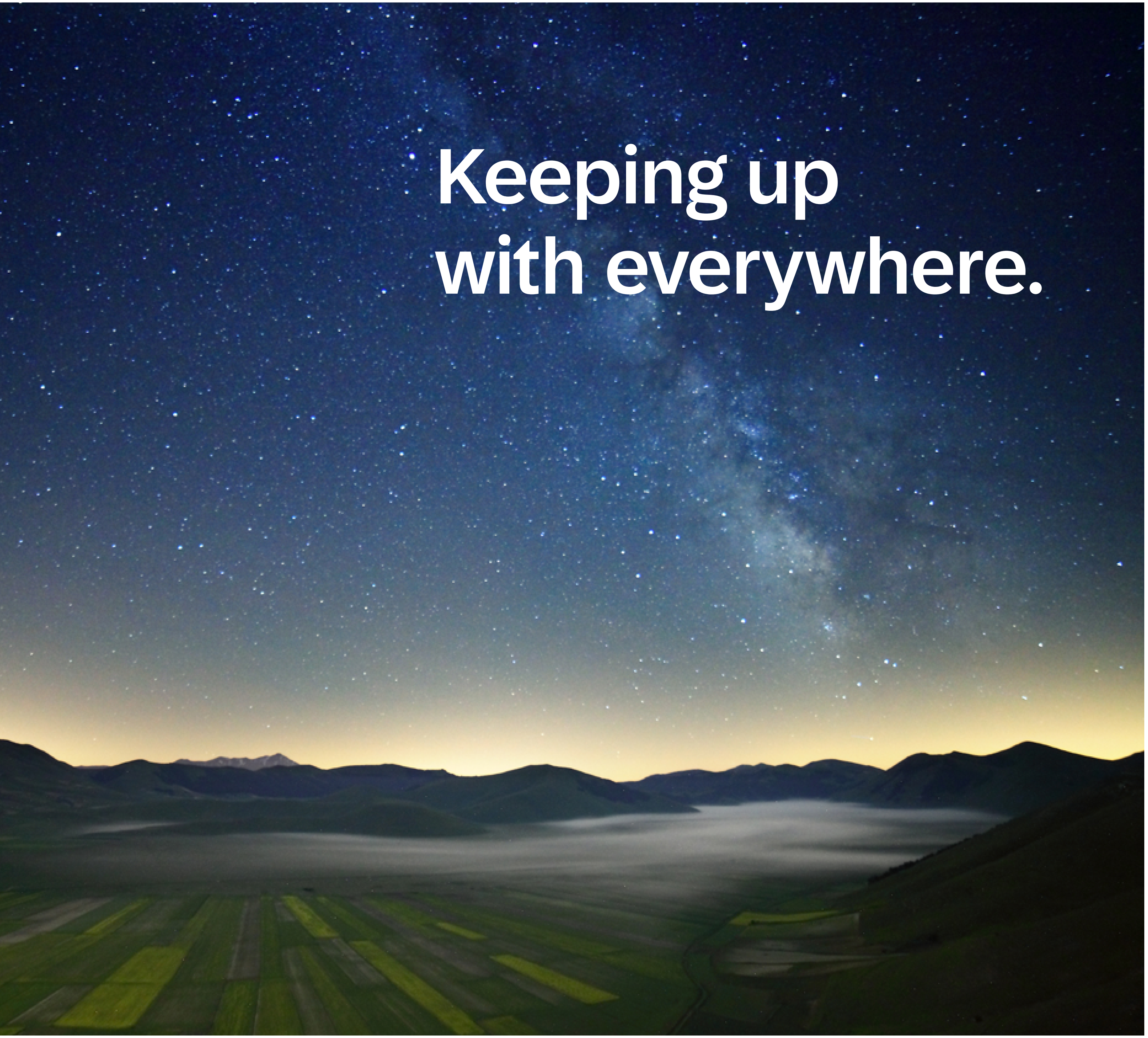
Welcome to the world stage.

A best-practice guide to extending your travel and expense management around the globe.



Keeping up with everywhere.

Whether you're already a global organization or are planning to get there, it's critical to make sure your travel and expense (T&E) processes are always up to date.

Because as business becomes more global, everything can get more complicated: regulations, tax laws, language support, duty of care requirements, and so on. To successfully expand into new countries, your company must have the right T&E policies, systems, data, cost controls, and support infrastructure in place.

So ask yourself: Does it?

This guide will help answer that question by examining:

- **The top expansion challenges**—potential pitfalls and risks organizations may face as they expand their T&E programs around the world.
- **Best practices** for global expansion.
- **Overall strategies and regional considerations** built on decades of experience—from T&E management and tax deductions to sustainability, market diversity, and duty of care.

Breakthroughs don't always come from behind a desk—so as your business explores and expands into other markets this guide will help make sure you have what it takes to get there.

Growing pains:

Expansion challenges you can expect.

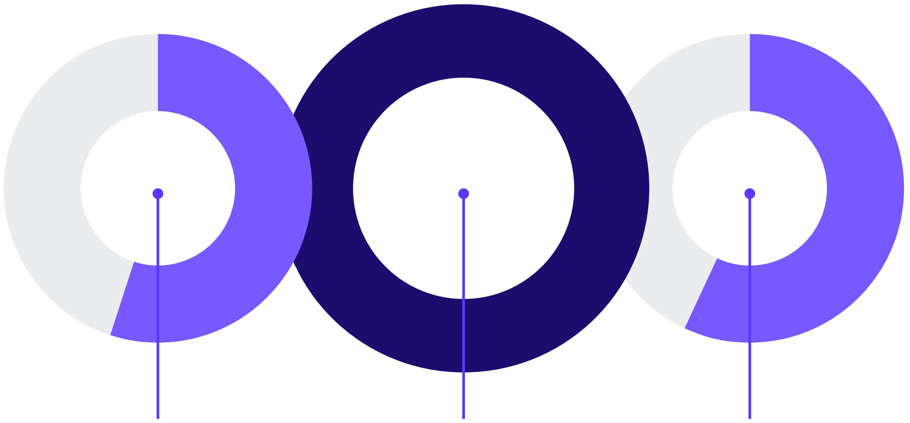
There are a few key things to look out for as you expand or examine an already global T&E program—risks and red flags that can trip up any growing company.

1

Inefficient, ineffective processes.

As your business grows and reaches further into the world, it's important to recognize that what's worked well in the past may not be right for the future. When it comes to T&E, legacy processes and systems might seem like the simplest path forward, but you must look at their true and total costs:

- Outdated, under-powered T&E processes and systems can have a negative impact on productivity—from disjointed, inconsistent processes that confuse your team and erode effectiveness, to the time and energy it takes to support multiple systems and frustrated users.



55%
of CFO's see worsening economic problems as a top external challenge, but...

ALL
are investing for growth. And...

57%
are investing heavily.

Source: [2025 SAP Concur CFO Insights Report]

2

Greater exposure to potential risks.

As your company expands, so does your risk. Especially when you're operating in multiple countries and within numerous economic, social, and regulatory structures. To reduce exposure, you should be prepared to manage:

- ***Regulatory risks***—complying with unfamiliar tax, privacy, and other requirements that not only add complexity, but can also carry hefty fines for noncompliance.
- ***Safety and security risks***—doing business in more places creates greater exposure to the unique cultural nuances and laws of new markets, as well as to natural disasters, political and economic unrest, and other unexpected hazards.
- ***Data security risks***—moving data back and forth from one system to another opens you to attack—becoming a point of potential security failure.

3

Poor visibility into data and spend.

If you have disconnected T&E systems for different parts of the business, you undoubtedly have disconnected travel and spending data. So you end up with blind spots, then exhaust valuable time pulling it all together to make sense of where money is being spent, where travelers are, and where you could be saving.

Instead of focusing on growth and expansion, you waste time and increase both cost and risk. For example:

- Finance teams, line-of-business leads, and department heads—who should be focusing on delivering the best results for the budgets they have—have to deliberate about what the real numbers actually are.
- Travel managers have no clear picture of what their companies are spending with certain suppliers, so they can't negotiate the best deals.
- Your business can't accurately predict or manage cashflow, because disjointed data can't deliver the details.

58%

of finance leaders say software ease-of-use is a challenge when controlling costs.

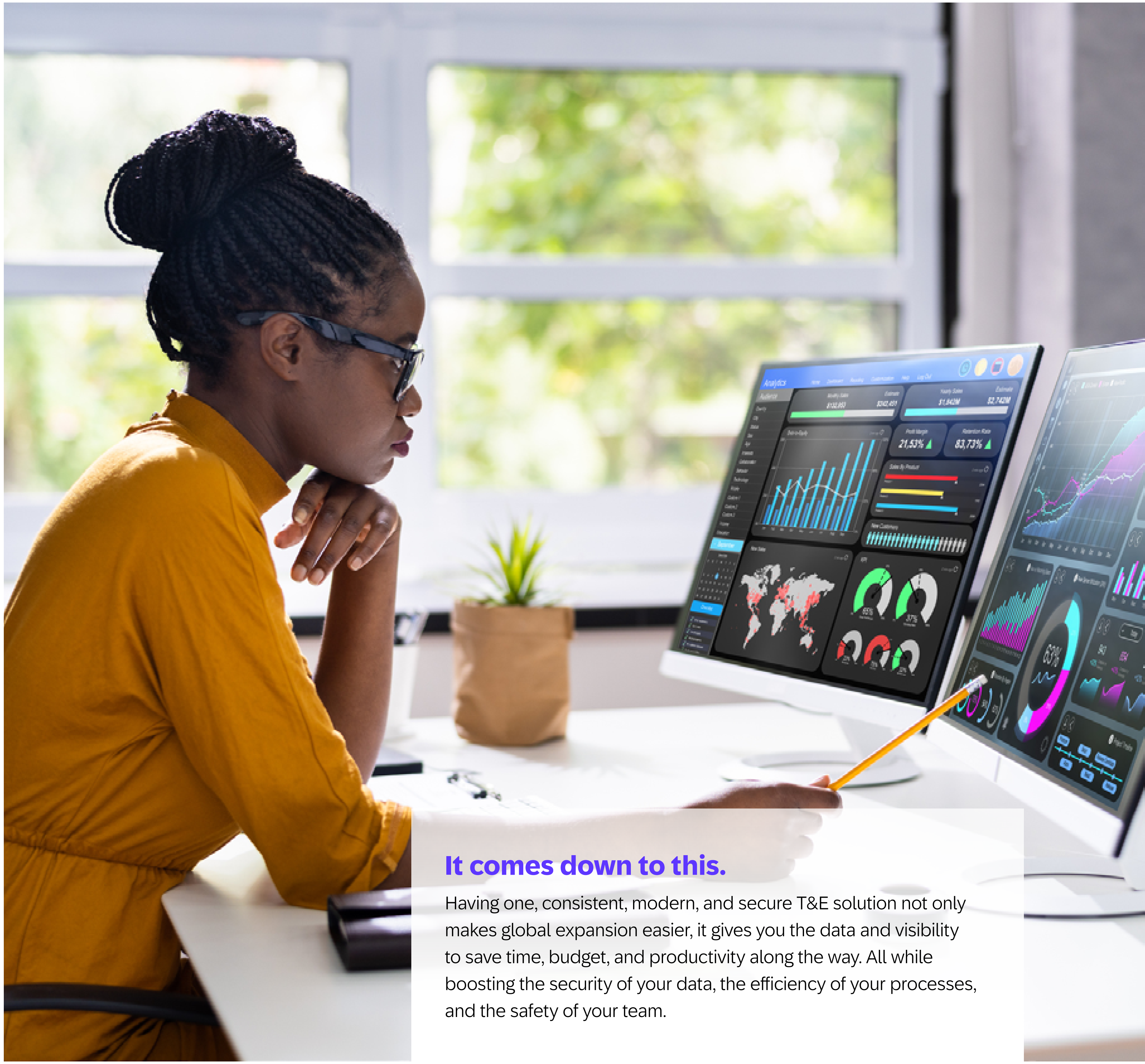
46%

cite lack of integration as a challenge.

34%

say a lack of data visibility is a key concern.

Source: Building Efficiency, Targeting Growth



It comes down to this.

Having one, consistent, modern, and secure T&E solution not only makes global expansion easier, it gives you the data and visibility to save time, budget, and productivity along the way. All while boosting the security of your data, the efficiency of your processes, and the safety of your team.

Getting bigger, getting better:

Best practices for expanding travel and expense management.

You have options for how you plan to expand, but you probably also have questions. What's worked for peers who've been here before you? What hasn't worked? And how do you know what will work for you? Here's how you find the best answers.

1

Take a global snapshot.

How do you get a better picture of what you're getting into?

Know where you stand before you try to expand.
Start by establishing how many office or workforce locations you have around the globe, as well as any new locations into which you're planning to expand. Identify the destinations that have similar laws and regulations—as well as those that generate the most common or highest volume of expense claims—so you can be better prepared. And determine what T&E systems you're using in each location, assessing systems that are homegrown or have been added in a merger or acquisition.

Understand the current user experience.
Establish the processes and policies users are familiar with and determine whether your policies are region-specific or already global. Then evaluate how employees are spending, so you can make the transition to a unified T&E system more seamless. For example:

- Where are employees spending money outside of travel spend?
- How much are they traveling in relation to what they're expensing?
- What's their most common method of travel—air, car, or rail?
- How are they paying—cash, corporate card, or personal credit card?

Assess your current T&E solution or solutions.
Determine if these systems are capable of expanding into new countries by asking:

- Can our T&E system handle different languages and currencies?
- Does it offer customer service support in native languages?
- Is it truly integrated with our current ERP, CRM, HR, and accounting solutions, and does it have the flexibility to integrate with other solutions we may add down the road?
- Does it have the capability to easily deal with new teams, new locations, etc., that result from mergers and acquisitions?
- Does our vendor have the global tax and legal expertise we need?
- Is it using AI to make the experience better or spending analysis sharper?
- Does our solution have a strong partner ecosystem connecting to local, commonly used apps to address different country needs?
- Is it able to pull all spend data—captured from different systems—into one place, delivering true spend visibility?

2
Approach the project strategically.

As you begin planning an expansion, determine the most logical way to deploy solutions, based on company groupings. This includes currency, customs, language, regulations, staffing models, IT resources, and product availability. You'll also need to know how processes are currently managed in the countries into which you're expanding.

3
Create a global model.

Establishing the model for your organization's T&E program will help align your teams, policies, and processes across the globe, as well as set the groundwork for future expansions. That model should include:

- Global or regional workflow, accounting structure, audit rules, groups, expense types, custom fields, reporting requirements, and benchmarks.
- A list of expense types and audit rules to pick from, including workflow options.
- Clear guidelines on language customization.

4

Ensure local market readiness.

You'll never know if a market is ready for expansion if you don't ask. Conducting a readiness assessment in local markets helps you make sure they're up for the transition—and it can spotlight possible project delays and potential challenges. So, what should you ask?

- Has local leadership, such as the country or regional manager and senior execs, bought into the project?
- Are the right people involved, and can you tap into any local resources?
- What will the end-user support model look like?
- How will you handle language and time zone requirements? Will you need to build a local support system or outsource to a vendor?
- What's the status of the corporate credit card program? Are cards in place or will a new bank relationship need to be established?

Your market assessment should also consider cultural differences, like credit card acceptance/adoption, works council agreements, etc. It should assess the risks and complexities of changing laws, regulations, and duty of care demands and explore implications for remote, hybrid, and work-from-anywhere employees. You'll also want to identify potential geopolitical shifts, socioeconomic concerns, and political polarization that could impact business operations and employee/traveler safety.

Where in the world:

Regional T&E deployment considerations.

Now that we've covered what to watch out for and overall best practices, let's dive into important regional distinctions and details every T&E leader eyeing expansion should know. After three decades of working with thousands of businesses across more than 170 countries, we've learned a few things. And here are just some of the key insights we've gathered from working in each part of the world.

Expanding into the Americas.

As you move into and across North and South America, consider:

Travel Allowance

United States Travel Allowance: Commonly implemented by public sector companies, these rates are often followed by private-sector organizations, as well.

- The most common form of US/GSA reimbursement is fixed allowances for meals and actual expenses with over-limit tracking (reimbursable) for lodging (actual hotel receipts reimbursed with amounts exceeding the per diem rate optionally posting to a separate GL account).

Tax

- ***Canada VAT:*** There are different tax structures across Canada, and these can be defined at the state or provincial level. Make sure your solution uses the factor-based reclaim calculation method and the exact- or actual-amount-paid method.
- ***Mexico Withholding Tax:*** Mexico has several types of withholding taxes as part of its legislation which can impact the expense report and user experience. This may mean the creation of custom expense types and special audit rules to ensure these taxes are properly accounted for in the system.

Receipt Handling and Digitalization

- ***Mexico CFDI Electronic Invoice Requirements:*** Vendors are mandated to provide electronic receipts (digital XML) for each reimbursable expense. In addition, you should have the infrastructure to store XML files in order to claim the expense for tax purposes, produce the original XML file in case of audit, and validate the XML file with the Mexican government.
- ***Latin America Receipt Handling and Digitalization:*** Many countries in Latin America have adopted (or are in the process of adopting) e-Invoicing. The approach models Mexico's process, using XML-based formats (particular to each country) where digital signatures and third-party validations are part of the process.

Expanding into Asia-Pacific.

With a move into Asia-Pacific, you'll want to consider:

Travel Allowance

China Travel Allowance: Here, a common approach includes a generic travel allowance using a time-of-day method with fixed allowances for meals. For example, if an employee departs after midday or returns before midday, they only receive 50% of the meals rate.

Tax

- ***Australia Corporate Tax Deductibility:*** Australia requires that companies pay a fringe benefits tax (FBT) on certain employee expenses, such as business meals.
- ***India GST Compliance and Input Tax Credit (ITC):*** Businesses must ensure proper GST invoicing to claim tax credits, but many travel expenses, such as hotels and flights, have different GST slabs.

Receipt Handling and Digitalization

Japan Electronic Books Maintenance Act: In order to capture and store receipts as image files, you need to create internal controls and technology to meet the legal requirements of the Electronic Books Maintenance Act.

Other Considerations

- ***Asia:*** T&E policies should account for Asia's cultural norms in business interactions, including relationship-building activities (e.g., dining, cultural events) and gift expenses, while ensuring compliance with anti-bribery laws.
- ***India:*** Despite digital payment growth, many vendors, like small hotels or taxis, still prefer cash, complicating reimbursement tracking.

Expanding into Europe and the Middle East.

As you move into and across Europe and the Middle East, consider:

Travel Allowance

- ***Germany Benefit-in-Kind:*** Certain benefit-in-kind provided meals are subject to tax. For example, a free meal provided on a day of travel, meals provided at a company canteen paid by voucher, or meals that are part of a company paid training.
- ***Portugal Travel Allowance:*** If a trip is ongoing after 22:00 (10 pm), even where it is a single-day trip, this is considered to involve lodging, and an additional 50% allowance is paid.

Mileage

Netherlands: All companies with more than 100 employees are required to submit the kilometers driven on business trips for the purpose of tracking CO2 emissions.

Tax

- ***Saudi Arabia VAT:*** It's common for customers to request VAT reclaim where employees are travelling between Gulf Cooperation Council (GCC) countries. In this instance, VAT reclaim is considered "domestic" although VAT rates and conditions imposed must relate to the country where the transaction took place.
- ***United Kingdom VAT:*** If employees are reimbursed for business mileage on their personal vehicles, VAT may be reclaimed on the cost of the fuel used in accordance with the HMRC Advisory Fuel Rates.
- ***United Kingdom Employee Taxability:*** The 24-Month Permanent Workplace Rule treats temporary workplaces as permanent for the purpose of claiming travel expenses. If an employee works at the same location beyond 24 months, they may no longer claim tax-free travel expenses. Also, the use of a company car for non-business activities (or outside of traditional business working hours) could potentially constitute a taxable employee benefit.

Sustainability

EMEA Corporate Sustainability Reporting Directive (CSRD) Compliance: Large companies and listed small and midsize businesses are required to report on their environmental and social impacts—disclosing information on how they manage sustainability risks and opportunities, including for travel. As a result, companies need to prepare for extensive reporting requirements, potentially involving significant changes in data collection, analysis, and reporting systems..

The best way forward.

Take these best practices and important regional considerations to heart. They'll strengthen your travel and expense strategies so you can stand up to the unique challenges and opportunities you'll face as you expand around the globe. It's how you'll maintain the compliance, cultural fit, and operational efficiency it takes to grow.

And as you plan your expansion, consider the products, experience, and global expertise SAP Concur brings to businesses like yours—helping you make the transition to a T&E platform that's ready for business anywhere.

There's only one way to go.

SAP Concur

This guide is not an official representation of compliance or statutory legislation. Customers should always defer to their own internal compliance experts. Information is not guaranteed to be up to date given the fluctuating nature at which country-specific regulations or guidelines can change.

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