Square in the Air

Expenses Policy

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Introduction

This expenses policy aims to provide some clarity around spending company money and claiming expenses. Expenses currently account for a significant proportion of company costs and it's essential we keep a close eye on how the money is being spent. We want people to be comfortable while working and travelling for business but at the same time be commercially minded. We'd like to encourage a mindset of 'spend the company's money as if it's your own' when incurring any costs on behalf of the business.

1. Purpose

The purpose of this policy is to provide guidance to anyone claiming reimbursement of reasonable expenses incurred in connection with SITA business. The policy has been prepared in accordance with income tax, NIC and HMRC regulations.

The key objectives are:

- To set out the SITA policy relating to business travel and expenses and clearly state the types of expenditure that can be reimbursed.
- To ensure reasonable standards of service, comfort, convenience and safety for those who need to travel on company business whilst achieving best value for money.
- To ensure that the Company complies with the requirements of HMRC rules and requirements for tax dispensation.
- To define the process for claiming necessary expenses.

This policy does not form any part of the contract of employment and the Company reserves the right to amend it at any time.

The policy does not apply to individuals who are self-employed or work as contractors or consultants for the Company.

2. Policy principles

- SITA will reimburse you for expenses wholly, exclusively and necessarily incurred in the performance of your employment as prescribed in this policy.

- SITA expects that you will only incur levels of expense which are reasonable and appropriate whilst on company business.

- Whilst this policy aims to provide comprehensive guidance on reimbursable out-of-pocket expenditure, there are areas of expenditure where it is not feasible to set out detailed guidance. In these areas the Company requires judgement from you as to what is reasonable. The guiding principle is, if in doubt, ask your manager/director before incurring the expense.

- Expenses must be agreed before they are incurred and when being claimed they must be signed off by your team Director.

- When authorising expenses, team directors should ensure that each claim is supported by a valid receipt which provides sufficient detail to substantiate the claim, is compatible with any other records (i.e. mileage claims) and that any unusual claims are justified.

- You should always seek to minimise costs without affecting the efficiency of the Company and should avoid any unnecessary cost to the Company.

3. Travel insurance and risk management

The number of business trips undertaken by SITA employees is increasing year on year.

SITA has a duty of care to its travellers under the Health & Safety at Work Act and must ensure that it has appropriate processes in place to manage any reasonably foreseeable risks. The Company and the traveller(s) must assess these risks prior to travel and make a judgement about whether there may be a need to change plans.

SITA has comprehensive business travel insurance which covers business travel whilst travelling abroad.

4. Overseas business trips

Overseas travel is a requirement of a number of roles and the Company aims to make this as easy as possible for anyone who is travelling abroad.

If you are a line manager, you have a responsibility to know where all members of your team are when abroad, so that the Company can support them in the case of an emergency. When abroad, you are encouraged to keep your Outlook calendar up to date with details of your whereabouts to facilitate this. If an unforeseeable event occurs whilst you are overseas, the Company will be able to locate you and arrange to get you home.

If the Company knows about your travel plans and the level of risk unexpectedly increases before your departure date, your line manager and/or a Director will make a decision as to whether it is still safe to travel.

When assessing any risks, travellers are advised to consult the Foreign and Commonwealth Office (FCO) website, which gives specific travel advice on all countries, including advice on crime, health, terrorism and natural disasters. The FCO is also a useful source of information and advice on practical tips on staying safe, secure and healthy and avoiding problem situations.

5. Business travel

Business travel claims are allowed as below:

- When you travel to a temporary workplace to work for a limited duration or for a temporary purpose.

When you travel to or from a temporary place of work, provided your journey is not interrupted by a stop at your permanent place of work, you can claim travelling expenses for the whole of the journey (i.e. from home to a temporary place of work and the return journey).

- When you are contractually home-based but travel frequently and normally visit a number of different locations. This does not include travelling to an office close to your home.

6. Alternatives to travel

SITA is committed to reducing its overall impact on the environment. All travellers can contribute to achieving this by considering the alternatives:

- Consider if your journey is absolutely necessary. Could the meeting be effectively held in any other way which will result in reduced cost or environmental impact.
- If travelling to the same meeting as colleagues, where practical, think about the possibility of car-sharing.

7. Travel Expenses

Anyone claiming the costs of business travel must adhere to the following guidelines.

8. Driving private vehicles on company business

To drive on company business and claim business mileage you must first register with HR as an Authorised Driver. This applies if you use your own private vehicle for SITA business. Registering as an Authorised Driver includes but is not limited to providing a copy of the relevant car insurance certificate (this must specify business use) and sharing driving licence details. Business mileage cannot be paid to anyone who is not registered with HR as an Authorised Driver.

The rate at which business mileage (for private vehicle usage) is paid (currently 45p per mile) includes insurance, therefore the Company will not reimburse the business use element of an individual's car insurance policy. If there is an administration cost to changing an insurance policy to include business use the Company will reimburse this element on receiving proof of this.

9. Claiming business mileage for use of own car

The current rates at which you may claim business mileage whilst using your own car are as follows:

Annual Mileage	Amount per mile
First 10,000 business miles	45p
Over 10,000 business miles	25p

It is your responsibility to record the exact mileage whilst travelling.

10. Taxis/car hire

Taxi use can be considered when it is cost-effective for short journeys, when it is cheaper than airport parking, after long-distance flights, late evening, before early-morning flights or when parking is difficult. In those circumstances where car hire is the only viable way of completing the journey, the car used should be restricted to the most suitable and economical car available.

11. Rail travel

All employees should travel standard class whilst travelling in the UK or abroad (e.g. Eurostar). Seat reservations may sometimes be necessary and may be claimed.

12. Air travel

The expectation is that air travel should be booked as early as possible in order to access the best value options.

The general guidelines are:

- Economy class should be used for all flights.
- The selection of flight and choice of carrier, subject to reasonable flight availability, should be based entirely on economic grounds. Travel arrangements should be made without consideration of points/incentives earned.
- The Company will not reimburse for the use of airport lounges.

13. Airport parking

Airport parking options can differ substantially in cost. It is your responsibility to book the most suitable and reasonably priced option available. As with flights, booking in advance and online can result in significant cost saving.

14. Accommodation and subsistence

Reimbursed expenses fall into the following categories:

- Subsistence – meal expenses reimbursed when temporarily away from your normal place of work or on a business journey (see notes below).
- Employee entertaining – meal expenses reimbursed at or near your normal place of work, where only Company employees are present.
- Business entertaining – meal expenses reimbursed in circumstances where you are required for genuine business reasons to entertain third parties (including other SITA employees).

15. Hotel accommodation

When booking hotel rooms standard rooms should always be booked. Where possible, the cost of this should not exceed £100 per night including breakfast. Alternative accommodation such as Airbnb can be considered, with the same nightly rate applicable. On occasion this budget may not be achievable and if this is the case you should get agreement from your team director before booking.

The cost of accommodation and all associated business costs will be covered but personal costs will not.

16. Subsistence while travelling for company business

Meals and drinks are capped at a maximum daily rate of £50. You can use this daily rate as you see fit, for instance it's your choice if you spend more on lunch than evening meal if that will be your main meal. All claims should be supported by receipts. Further guidance is below.

A day trip:
If you are away from your home or usual place of work all day including the evening (ie more than 10 hours) on company business, there is some provision for claiming for food and drink. For instance, if you have access to the usual sources of food at lunchtime such as a supermarket or sandwich bar you would not be expected to claim for that. If you leave your house too early for breakfast and get home too late for an evening meal and/or the cost of lunch is significantly more than you would usually spend you can claim for those meals up to a reasonable amount.

An overnight stay or travelling abroad:
All accommodation should be booked including breakfast in the price. If that is not possible you are able to claim breakfast separately, up to a reasonable amount. If you are away overnight travelling on company business you are able to claim for an evening meal, up to a reasonable amount. The same guidance re. lunch applies here too.

In addition, working lunches provided as part of an ongoing meeting on Company premises or off-site meeting organised as a business meeting are an acceptable business expense.

Note: the term 'reasonable amount' should be considered as part of the £50 maximum claimable amount.

17. External entertaining for business

Everyone should be aware of, and adhere to, the guidance contained in the SITA Anti-Bribery Policy which is detailed in the Staff Handbook. The Staff Handbook is under review, but the current version is available in the 'Internal Resources' folder.

Properly incurred business entertaining expenses must be approved in advance by a director and substantiated by receipts. For no taxable benefit to arise, the expenditure must have been incurred "wholly, exclusively and necessarily" in the performance of the employee's duties. It must be clearly demonstrated that the purpose of the entertaining was to discuss a business project or to maintain an existing connection or to form a new one, even though no business was actually done. The following information must be shown on the expense form:

- The full name(s) of attendee(s)
- The organisation which they represent
- The purpose of the entertainment (for example "negotiation of contract")

Where costs are incurred in relation to business entertaining, e.g. taxi fares to a restaurant at which business contacts are to be entertained, those related costs should be included in the amount claimed under "Client Entertaining" on the expense form and not under any other heading.

18. Employee entertaining

Any costs that do not fall within the category of subsistence should be regarded as employee entertaining such as team meals/team building. Please ensure that any employee entertaining is clearly marked as such.

19. Loyalty schemes

Membership of any rail, air or hotel loyalty programme must not influence the selection of airline, rail operator, hotel, or room type. The Company will not reimburse the fees for frequent traveller membership schemes.

20. Spectacles for display screen equipment (DSE) users

Anyone who uses display screen equipment (DSE) for work has the right to request an eye test subsidised by the company up to the sum of £25. It is your responsibility to arrange to have the eye test carried out. Following the initial eye test, the frequency of any follow-up tests will be decided solely by the optician.

Where an optician has confirmed in writing that glasses/lenses are required exclusively for DSE use, a contribution of £60 will be made by the Company towards the cost of the prescription glasses. Should you wish to purchase a more expensive pair, you will need to fund the the balance. SITA will only reimburse one eye test in any 12 month period.

21. Professional subscriptions

If there are benefits to the Company as a whole, by being a member of an organisation, you may claim back the cost of the annual subscription for up to a maximum of two professional bodies, provided that each body is on the HMRC approved list and its activities are directly relevant to your duties. This must be agreed in advance by the team Director.

22. Combined business and personal trips

Combined business and personal travel is acceptable where you meet all costs relating to the personal element of the trip. For example, you may wish, whilst attending an overseas meeting or conference, to extend the trip to include a holiday or short break. A companion

may travel with you on a business trip as long as this person does not travel at the Company's expense. The companion's travel costs must be invoiced separately and paid for privately.

The Company's corporate travel insurance is only valid for you during a business trip and not for any holiday time or companion.

23. Claiming Expenses Procedure

Expense forms

Most expenses should be incurred using your or your manager's Pleo card wherever possible.

Expenses incurred other than via the card can be claimed for using the expense claim form which can be found in the 'Internal Resources' folder. The expense claim form must be clearly and correctly completed and be backed up by a valid scanned receipt for each claim (you should keep physical receipts for your own reference). Once the form has been completed this should be emailed, along with the scanned receipts, to your team Director for approval. If your team Director is not available another Director may approve and sign in their absence.

Once a team Director has approved the form he/she will email the claim to hubdoc.sita.4f24@app.hubdoc.com for payment. Payment will be made no later than two weeks after submitting.

Foreign currency

When costs in a foreign currency are incurred e.g. not GBP, the currency amount and the sterling amount should be recorded. The actual exchange rate obtained should be used to convert the currency to GBP.

Receipts

All items included on an expense claim form must be supported by a valid receipt. A valid receipt should, wherever possible, include:

- Vendor address and/or name
- Breakdown of items (+ VAT breakdown if applicable)
- Date of transaction
- VAT registration number (if applicable)
- Total amount due

Please note that credit and debit card transaction receipts (i.e. from handheld PDQ or 'chip & pin' machines) are not considered valid receipts.

Printouts of online bookings with full details and costs of items purchased can be submitted as long as there is a VAT element, if applicable.

In circumstances where a printed receipt is not available, handwritten receipts produced by the vendor are permitted, but should be on headed or stamped paper clearly stating the supplier details, date of transaction and list the details of the items purchased.

Expenditure without a receipt

Wherever possible all expenditure must be supported by a receipt. The Company may meet the cost of reasonable expenses lower than £10 for which it is not possible to obtain a receipt. Examples of such expenses are car park charges, toll fees, parking meters, tube and bus fares. Claims must be limited to the actual amount of expense incurred and not claimed as a round sum allowance. All items claimed should be described as fully as possible and entered on an expense form.

If an item is purchased online employees should request a VAT receipt wherever possible and wait to claim the purchase once a VAT receipt can be attached. An order acknowledgement is not sufficient.

Claims and payment

Expenses claims must be made within a month of when the expense was incurred.

Fully completed and authorised expense claims received by the Finance team will be paid as soon as possible and not later than 2 weeks after being submitted. Payment will be made directly to the same bank account that your salary is paid into.