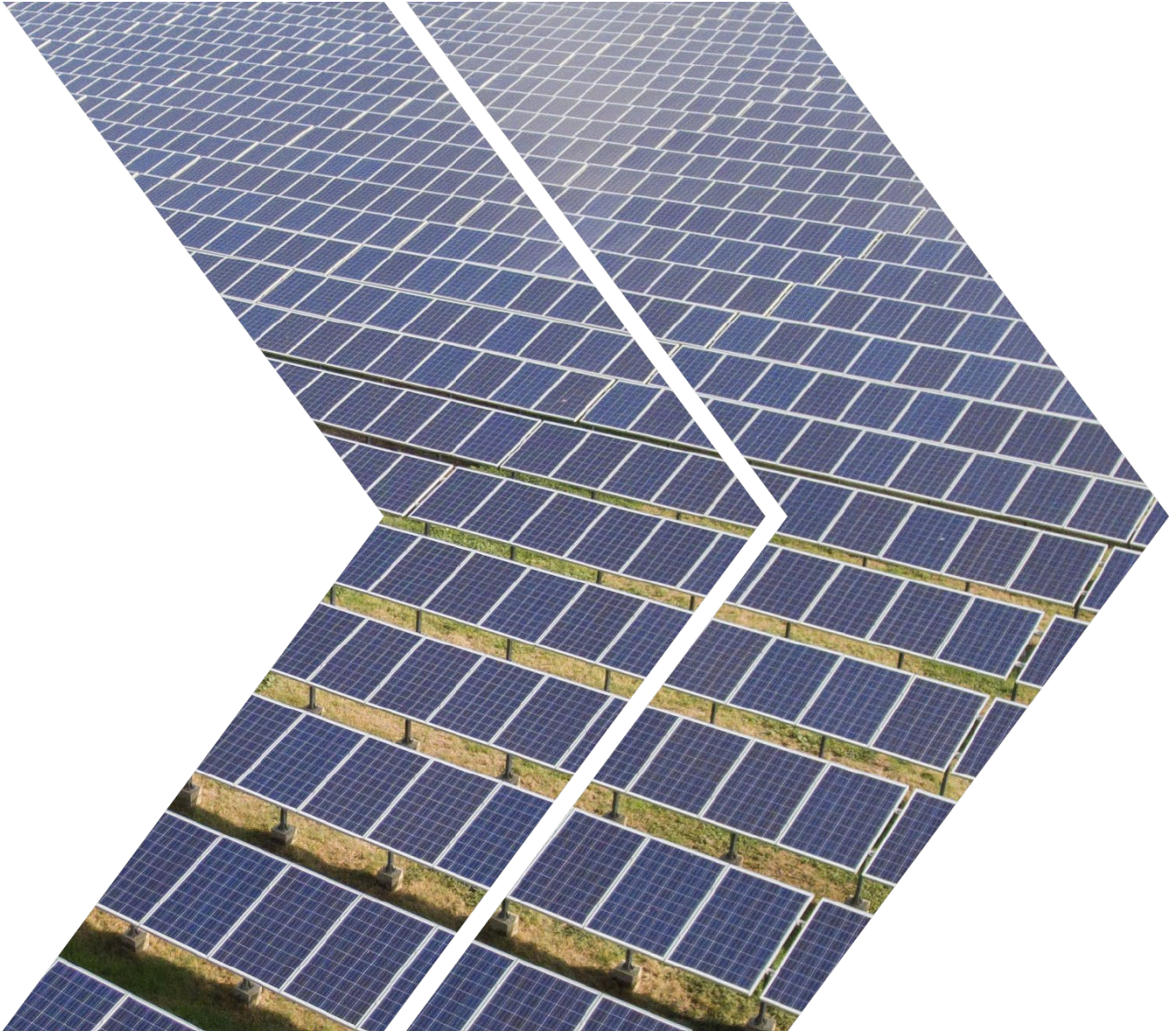


Employee Travel and Expense Policy

February 2017



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1. Introduction

1.1. Policy Objective

British International Investment (BII) recognises that the definition of what is and is not a “reasonable” expense can be subjective and therefore the aim of this policy is to achieve, wherever possible, clarity and consistency, so that it can be easily interpreted and implemented.

The policy is applicable to all staff, Board and Committee members of BII, including contractors and consultants. Policies regarding recruitment are held by the HR department.

1.2. Policy Sponsor and Maintenance

The CFO is the sponsor of this policy and is responsible for maintaining this policy, including a submission to the Board every two years for review and approval.

2. Philosophy and Operating Principles

2.1. Philosophy

BII is always mindful that it invests and spends taxpayers’ money. All employees, Board and Committee members and contractors look for the best value wherever they can and avoid extravagance.

However, BII is also careful to support its staff with regard to their welfare and security.

A high proportion of staff are expected to travel very frequently, often across times zones and overnight, and to work continuously for long hours without recovery time. Staff must often be prepared to work on complicated and challenging transactions on arrival. The ability to sleep in comfort on longer plane trips and overnight flights is therefore built into this Policy.

Moreover, work is often undertaken in difficult and unsecure locations. A reasonable standard of hotels and transport is also therefore built into this Policy.

In summary this Policy deliberately attempts to balance BII’s responsibility to its staff and its responsibility to the UK taxpayer, so that it can fulfil its mission over time.

2.2. Operating Principles

In line with this philosophy, our preferred principles applicable to expenses are as follows:

- Personal expenses incurred are expected to be minimal and consistent with BII’s responsible use of public money.

- All travellers should make travel arrangements consistent with these policy guidelines. **Only costs incurred in accordance with this travel policy will be reimbursed.** If travellers choose to upgrade or book facilities of a higher class or cost than those permitted by the policy, only expenses incurred in line with the policy will be reimbursed. Any additional costs must be paid by the traveller.
- Business class air travel is permitted on long flights (as defined in section 3.1 of this policy). Even in cases where business class is permitted by this policy, staff may choose a lower class of travel at their own discretion.
- Hotel selections should be safe and comfortable, but luxurious chains should be avoided.
- Minor regional variations, aligned to local practice, will be agreed as necessary between the local MD and the CFO, and a record retained by the Finance Department.
- Managing Directors retain the authority to approve exceptions where absolutely necessary.

3. Transportation

3.1. Air Travel

Flights are to be booked via BII’s selected travel services provider and be based on the principle of the lowest cost direct flight consistent with this policy (where direct flights are readily available).

Fully flexible tickets are permitted in only exceptional circumstances and only with senior management approval in advance of booking.

The table below sets out the maximum permitted classes of travel for flights.

Destination	Maximum permitted class of travel
Within Europe, within India, or flight time of less than 5 hours	Economy / Premium Economy
All other flights	Business

3.2. Rail Travel

Standard class of travel (or the equivalent of Premium Economy, if BII work needs to be done) is the rule unless sleeping overnight on a train and a berth is required

3.3. Taxi / Car Travel

Public transport is the normally accepted means of travelling to and from meetings in London.

Public transport to and from London airports is generally preferred (and expected when travelling to or from the BII offices). When traveling from home to London airports, and while in foreign countries, staff may use reasonably priced taxi and car services.

In our investment geographies, car services are permitted. A list of preferred car service providers is available, with details of reasonably priced, safe and efficient services in various locations.

BII will reimburse the cost of taxis taken home by employees when they need to work after 11pm. BII does not expect employees to work this late routinely.

3.4. Combining Business and Personal Travel

BII staff members are permitted to include non-business travel as part of a trip. BII staff will be responsible for the additional cost of the travel incurred as a result of including the non-business travel. BII staff may not downgrade from one class of travel in order to fly with a family member or other non-staff and have their guest's flight cost covered by BII.

4. Accommodation

4.1. BII Preferred Accommodation in London

In London, accommodation should be at BII's preferred hotel(s) - see the preferred hotels list. If these are not available, then the cost per night should not exceed £200 per night, exclusive of VAT. No more than £200/night will be reimbursed without a manager's authorisation prior to booking.

4.2. BII Preferred Accommodation outside London

In other countries, reservations should be made in hotels which are safe and comfortable, but not luxurious.

Effort should be made to use BII preferred suppliers (see list) with whom we have negotiated advantageous rates. If these are unavailable, bookings at alternatives with the same guideline rate of £200 per night are permitted. If a suitable comparable alternative cannot be identified, manager approval should be sought prior to making a booking.

Exceptions can be approved by managers where there is a need to do otherwise (e.g. remote locations with only one decent hotel, location of conference).

5. Expenses

BII will reimburse employees, contractors and Board or Committee members for incidental, business-related expenses incurred on BII business.

Employees are encouraged to keep their expenses to the minimum necessary in order to effect the business they are undertaking. Receipts will be required for all claims and can be submitted electronically or in paper form.

5.1. Hotel Costs

BII will reimburse the individual travelling for all reasonable hotel expenses incurred, including the following:

- Laundry and dry cleaning costs on a business trip of seven days or more
- Costs for use of gym equipment or pool facilities if available

5.2. Subsistence

BII will reimburse reasonable costs incurred for meals while travelling, or in exceptional cases when late night working is required. A detailed receipt should be provided with the expense claim.

5.3. Phones Calls

Wherever possible, international calls should be made using a BII mobile phone. If this is not possible, the individual travelling should seek alternative telephones and only in exceptional circumstances use hotel phones.

Personal calls to the UK should be kept to a reasonable level. Staff will be expected to pay for excessive personal calls, as well as premium line calls.

5.4. Foreign Currency

Employees are responsible for obtaining their own foreign currency.

BII will reimburse employees for reasonable costs in obtaining foreign currency for use in the course of business travel, such as the cost of withdrawing cash from an ATM with a debit card or fees at an airport currency converter.

BII will not reimburse employees for fees involved in withdrawing cash with a credit card, late fees or penalties.

5.5. Passports

When a business traveller needs to renew their passports because the pages are full, BII will reimburse the expense of obtaining the renewed passport. BII does not reimburse the expense of renewing staff passports that expire naturally.

5.6. Professional Memberships

BII will reimburse employees for annual subscriptions or memberships to a professional body where the employee's manager considers membership of the professional body to be essential or strongly desirable for the role.

5.7. Non-Reimbursable Expenses

Expenses that will not be reimbursed by BII include but are not limited to:

- Hotel room mini-bar items except water or soft drinks
- Spa treatments or video film hire
- Cash advances on company credit card
- Fees or dues for airline VIP clubs and hotel loyalty or frequent-stayer programmes
- Airline upgrades outside BII policy
- Non-business travel expenses
- Costs for personal guests
- Costs for items already made available by BII (such as stationery).

6. Business Hospitality and Staff Entertainment

6.1. Business Hospitality

BII generally does not provide business hospitality, beyond business meals. All BII staff, Board and Committee members are encouraged to keep entertainment expenses to a minimal level, keeping in mind our use of tax-payers money.

BII business hospitality should be reasonable and receipts must have details of the names and company of all entertained guests. When more than one employee is present at a meal, the most senior employee at the table should usually pay the bill and claim for the expense.

Entertainment received in connection with employment should be recorded via the Gifts Register (please see the Business Integrity Manual for further details).

6.2. Staff Entertainment

All Board and BII-wide staff entertainment will normally use appropriate internal arrangements, on a modest scale, unless special dispensation is given by the CEO or Chairman to entertain staff or BII Directors outside the BII office.

BII sets aside a small budget each year for activities related to team building and morale, which is assigned on a per-head basis and tracked and monitored by the Finance Department.

7. Additional Leave

Individuals who spend in excess of 12 nights cumulatively overseas during a calendar year are entitled to additional leave equal to 1 day for each 12 nights overseas, subject to a maximum of 5 days additional leave.

The additional leave must be taken in the year it is accrued. The additional leave will be forfeited if not taken, with no option to buy out.

Employees required to work weekends may be granted additional time off at the discretion of their manager.

8. Traveller Safety and Security

BII takes the security and well-being of its employees very seriously. Employees should be familiar with and comply with BII's Travel Risk Management Procedure.

Employees should make accommodation and meeting / travel arrangements with their safety and well-being foremost in their minds. Up-to-date travel security and medical advice is available from International SOS (www.internationalsos.com) and travel guidance is available from the FCO (<https://www.gov.uk/foreign-travel-advice>).

8.1. Emergencies

In emergencies, the normal travel policies are waived as it is accepted that, in extreme circumstances, staff may need to travel in whatever manner is possible. Extreme circumstances may include, but not be limited to, severe environmental difficulties, war and civil disruption, acts of terrorism or any incident that has the potential to affect the safety or well-being of a member of staff.

In these instances, staff members are expected to make reasonable arrangements to return home as quickly as possible whilst acting with integrity. If the situation allows, staff should request manager permission or, for personal matters, permission from HR Manager or HR Director. However, it is recognised that circumstances may not allow for permission to be sought.

8.2. Group Travel

BII is mindful of the risks to continuity of business associated with large groups of staff travelling together. Where possible, no more than three members of BII's Executive Committee or Board should travel together on the same flight.

8.3. Passports and Visas

Staff members are responsible for ensuring that their passports are valid for their trip, noting that many countries require a minimum validity of 6 months remaining on the passport.

Where business visas are required, BII will assist with arranging and cover the cost of obtaining the visa. Where regular travel to one location is anticipated, staff should consider whether a multiple entry visa would be more cost-effective.

8.4. Health and Safety While Travelling

Staff who frequently travel are encouraged to take advantage of the traveller medical screenings made available. For further details please refer to the staff handbook.

All staff travelling on company business must ensure that the required vaccinations are valid for any particular country/region and it is the individual's responsibility to ensure that their vaccinations are kept up to date.



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