



Severn Group

Travel & Expenses Policy

OCTOBER 2022



Accountability

As individuals,
as teams
and as an
organisation,
we take
responsibility
for our work.

Introduction

This Travel and Expenses Policy sets out the principles and rules regarding business travel, entertainment and expenses for all employees of the Severn Group ("Group" and any direct or indirect subsidiary of the company ("Group Companies").

This Policy is intended to provide clear guidelines and deliver best value whilst recognising general practise across the broad range of sectors and geographies in which the Group operates.

It is understood that, due to geographic constraints, there will be occasions where this Policy cannot always be strictly applied and where local legislation will take precedence. In those cases, this Policy will set out the specific allowances for a particular journey or event.



Accountability

As individuals, as teams and as an organisation, we take responsibility for our work

We prize the sense of belonging and family spirit across our operations. Everyone at Severn Group contributes to our success – we are incentivised and empowered to positively impact business achievements, environmental sustainability and high performance in safety.



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Policy Statement

The areas covered by this Policy include Travel Policies and guidance, emergency assistance and travel insurance, Code of Conduct, entertainment and expenses; including non-reimbursable expenses, and other expense Policies.

This Policy is non-contractual and the Group reserves the right to update any of the terms in this Policy at any time.

This Policy must be read in conjunction with any applicable Policies, such as Health & Safety, ESG, Code of Conduct, Gifts & Hospitality Policy.

Whenever you are required to travel on behalf of the Company, you are bound by our Code of Conduct.

- You are considered a representative of the Company and should act accordingly to all clients and other contacts that you make.
- Our Drugs and Alcohol Policy requires that you should not attend a client site when under the influence of drugs or alcohol – similarly, while we do not seek to stop employees drinking alcohol, you must be responsible and within the law. Driving cars, while under the influence is illegal, and employees must ensure that they do not drive company or hire cars while at risk.
- Employees entertaining clients are expected to act with responsibility and attention. You should also consider your ability to conduct your business the day after an evening out with clients.
- Long journeys of any type are tiring. We do not expect employees to put themselves at risk by driving or working in risk areas, immediately after a long journey. Journeys and meetings should be planned to take account of safe onward travel.

Who must comply with this Policy?

This Policy applies to all persons working for a Severn Group Company or on our behalf, including employees at all levels, directors, officers, contractors and consultants.

Adherence to this Policy is mandatory. Breach of the Policy may result in disciplinary action being taken against the individual under the applicable Disciplinary Policies and Procedures.

Who is responsible for this Policy?

Any deviation from this Policy must be approved in writing by Chief Financial Officer.

The Chief Financial Officer may review and update this Policy from time to time to ensure it remains consistent with the Board's objectives and responsibilities.

Any questions or support requests should be addressed to your line manager. Any issues or concerns regarding this Policy should be addressed to the Chief Financial Officer.

Authorisation

All travel requests and expense claims must be approved by the line manager.

The approval limits are as defined by the level of authority within the Severn Group Delegation of Authority. There are additional limits on travel arrangements and expenses as defined in this Policy, assigned by level of authority.

Travel Policies & Guidance

Responsibilities

In line with Severn's commitment to reducing Carbon emissions, we would like you to consider the following hierarchy of travel preferences when considering business travel:

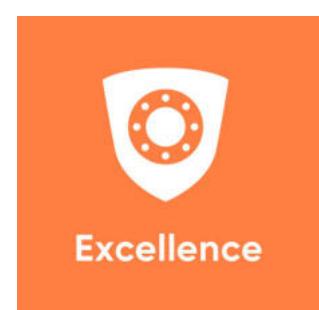
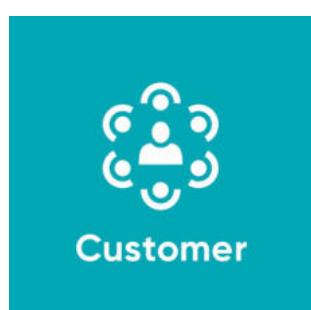
- 1) Is the trip necessary, can it be undertaken via Teams/Video Conferencing? If not, then the hierarchy is as follows:
- 2) Train
- 3) Car/Vehicle sharing with a work colleague
- 4) Car
- 5) Aeroplane

Where possible, all travel expenses must be approved prior to being undertaken. A "Travel Authorisation Requisition Form" must be completed and signed off by your manager or the relevant authorised person (in accordance with the Delegation of Authority Matrix) before completing travel arrangements. The "Travel Authorisation Requisition Form" can be obtained via the Company Travel Administrators or SharePoint Policy Hub. Individuals of Level V authority or higher only need to obtain approval for air, sea or rail travel. Levels VI and VII require approval for all travel.

Before considering travel to known or potential areas of risk, it is important to check travel regulations with your Departmental Manager and ensure that all relevant HSE Policies are followed at all times.

Travellers are responsible for undertaking any health assessments and/or inoculations required for your destination. Please refer to your respective government website for guidance. The costs of inoculations and any other medical supplies required for the journey will be reimbursed.

Travellers should hold a current passport and ensure that visa requirements are fulfilled well ahead of the proposed travel dates. Visas will be arranged by the company's Travel Administrators.



Travel Policies & Guidance

Travel Administration

Wherever possible and practical, travel bookings should be made via Company Travel Administrators. This allows for simplicity within the expenses system and enables the use of Group discounts and rebates.

Company Travel Administrators will keep a record of all travel by employees, to ensure the safety and compliance of our travellers.

Complex routings, where flexibility and expertise are required, will be booked using the appointed corporate travel agents by the Company Travel Administrators. Simple routings and arrangements will be organised in-house.

Company administrators who will arrange travel bookings:

Celtex Industries, Inc	Arranged by individual. Visitors to coordinate with Inside Sales Manager +1 903 297 8481
Contour Technologies Limited	Executive Assistant +44 1484 726353 / +44 1452 726745
L.B. Bentley Limited	Arranged by individual. Visitors to co-ordinate with the person they are dealing with.
Mars Valve (UK) Limited	Executive Assistant +44 1452 726745
MCE Group Limited	Accounts +44 1642 882211
Severn Glocon (Aberdeen) Limited	Arranged by individual. Visitors to coordinate with the person they are dealing with.
Severn Glocon (Australia) Pty Ltd	Arranged by individual. Visitors to coordinate with the person they are dealing with.
Severn Glocon FZE	Receptionist & Office Admin +971 4 802 8900 Ext. 8920
Severn Glocon UK Valves Limited	Executive Assistant +44 1452 726745
Severn Glocon Valves Pvt Ltd	Human Resources & Admin Ast. Manager +91 44-47104200
Severn LLP (Kazakhstan)	HR Office Manager +7 771 002 73 72 / office.kz@severnvalve.com
Severn Unival Limited	Executive Assistant +44 1484 726353
ValvTechnologies LLC	Arranged by individual. Visitors to coordinate with the person they are dealing with.
ValvTechnologies Private Limited	Arranged by individual. Visitors to coordinate with the person they are dealing with.

When booking on behalf of staff, administrators will use corporate accounts where possible, or company credit cards. Please note, hotel costs may need to be paid personally and re-imbursement sought via the expenses system.

Any bookings made independently must be done following the guidelines set out in this Policy document.

Appropriate authorisation is required before the administration team will book travel.

Travel Policies & Guidance

Flights

If the drive time is expected to be under 5 hours to their business destination, employees are expected to consider driving rather than flying, unless the economics or schedule requirements make flying the more expedient option.

Where air travel is required to satisfy customer meetings or support work which has a defined agenda and schedule; fares should reflect the minimum possible flexibility and as such, air fares with financial penalties or restrictions should be accepted.

To reduce costs, where possible, air tickets for "Domestic" flights should be purchased a minimum of 21 days in advance and "International" flight tickets should be purchased a minimum of 28 days in advance of travel, otherwise, an explanation for late booking should accompany the Travel Authorisation Requisition Form.

Travellers are expected to fly economy, excluding the executive team.

Employees may use personal frequent flyer status and/or benefits to upgrade their seat to a higher class of service if the upgrade does not add any cost to the price of the ticket paid by the Company. Tax levied on such upgrades or other administrative fees are the responsibility of the traveller and will not be reimbursed. Membership of frequent traveller schemes must not influence the choice of carrier.

Trains

Employees are expected to travel via a standard class.

Wherever possible and practical a fixed journey ticket should be purchased. Overall the cost difference between an open ticket and a closed ticket is worth the risk of an occasional aborted ticket.

Vehicle Travel

- You should only drive a company or hired car if you have a full driving licence valid for the country you will be driving in and the vehicle type you will be driving (no provisional licences). A copy of your full driving licence / international driving licence must be provided to your site prior to undertaking any driving for business purposes, along with a statement of convictions for motor vehicle violations.
- Under no circumstances should mobile phones be used while driving other than on a hands-free system, where this is permitted in local country, and safe to do so.

Travel Policies & Guidance

- Rental vehicles may be used where there is no Company or pool car available or public transport is not a viable or cost-effective option. Pool cars are operationally managed by the respective division/region – if you have any concerns with a pool car, please speak to your line manager or refer to the Speak Out Policy if necessary.
- Vehicles must be rented from the Company's preferred supplier (please check with the relevant Company Travel Administrator). Intermediate or smaller cars are to be used, unless there is business or HSE justification for a larger model approved prior to booking by an individual with Level of Authority IV or greater.
- Vehicles should be collected from rental depots. Delivery and collection charges significantly increase the overall hire cost and should not be used without prior authorisation.
- When travelling on business in the UK, under a UK-based company, rental vehicles are comprehensively covered by Company insurance and travellers should decline the rental company's insurance. This should be arranged via the Company Travel Administrator.
- Outside of the UK, it is necessary to accept insurance cover provided/offered by the hire company. The options available will vary depending on the territory but in all cases, the highest form of coverage should be accepted.
- Rental vehicles should not be driven without firstly checking with the Company Travel Administrator to ensure adequate insurance is available.
- Rental vehicles should be returned with a full tank of fuel to avoid excessive rental company refuelling charges. Check the invoice to ensure the corporate rate is applied, the mileage and times are accurate and no additional, insurance extras have been inadvertently added. Fuel arrangements should also be coordinated via the Company Travel Administrator.
- Travellers may use their own car for business where there is no company vehicle available, vehicle rental is not a viable alternative, or there is no reasonable alternative by public transport. Your own insurance must be adequate for business use. Please note that no insurance cover is provided by the Company for employees using their own car on Company business. Personal vehicle use is preferred before rental.

Car Allowances

Certain job categories receive a car allowance. Car allowances can cover or contribute to: vehicle acquisition, requisite insurance cover, wear and tear, and repairs. US employees can also receive reimbursement for up to \$1,000 annual for out-of-pocket car repair and maintenance items, e.g. oil and filter changes, tyres and tyre rotation, and mechanical repairs.

Vehicles used for business purposes should be treated with care and maintained to legal standards. The vehicle must have insurance coverage obtained and paid for by the employee. The insurance coverage must be no less than the regulatory minimum level set within the jurisdiction of residency or travel. It is also the employee's responsibility to obtain and maintain any vehicle tax requirements.

Travel Policies & Guidance

Mileage

Mileage will be reimbursed on the mileage exceeding the employees normal daily commute from home to work. Mileage rates for personal vehicles and car allowance vehicles are as follows:

	UK		USA	India	CIS	Australia	MEA
	First 10000 miles	Over 10000 miles					
Petrol/Diesel/Gas/ Hybrid cars/vans	45p per mile*	25p per mile*	62.5 cents per mile	Rs 11.75 per Km	N/a	78c per Km	AED 1 per Km
Motorcycles	24p per mile		60.5 cents per mile	Rs 7 per Km	N/a		
Bicycles	Not Applicable						

*An additional 5p per passenger per business mile can be claimed for carrying fellow employees on journeys which are also work journeys for them.

Hotels

Reasonable cost accommodation consistent with the territory, personal security and business needs should be used.

If travelling internationally, it is recommended to have the host company or customer make the hotel reservation, as they will normally be able to secure favourable rates.

Accommodation should be in standard rooms which incur reasonable charges. Breakfast may be included in the room rate – please let the travel administrator know if breakfast is required.

Workshop personnel and field engineers may be paid an allowance for business travel - refer to local Policies for guidance. In these instances, deviation from the defined allowance is permitted only if sanctioned by the line manager.

Where booked via Company Travel Administrators, the cost will be charged to the company account. You will be responsible for settling all extras. Reimbursable extras, in line with your Policy guidelines, can be claimed via the expenses system.

Travel Policies & Guidance

Meals

Reimbursement for meals is limited to lunch, dinner and beverages for each complete day during travel, or meals eaten after travel commences and before travel ends. A guide of £35 / \$40 / ₹3,500 INR is considered for a reasonable full-day subsistence allowance but may need adjustment in some geographical regions based on local expectations.

Subsistence during international travel is open to reasonable and responsible management by directors.

Miscellaneous Travel Expenses

Laundry and valet services will only be reimbursed on trips that exceed 5 business days, or if the trip is unexpectedly extended.

Travel vouchers or compensation offered as a result of flight cancellations or rescheduling should be passed to your Finance Department on return to base.

Trips that encompass a weekend

If there is a genuine business need to arrange an overseas trip around a weekend due to schedule of meetings and/or availability of flights, the Company will meet the full costs of overnight accommodation and day meal allowances over the weekend period. However, the costs of any additional beverages, during the day or evening are to be charged to your personal account. In addition, costs of any activities undertaken as personal entertainment over the weekend are at your own expense.

Working Hours and Overtime

Staff may from time to time be required to travel on Company business outside of their normal working hours to meet the needs of the business for which they will receive no additional remuneration or time off in lieu. The only exception to this will be if they are required to travel over a weekend. All other staff who are contractually entitled to an overtime premium will be paid in accordance with their contractual overtime rates.

Requirements

Non-Reimbursable Expenses

The following are examples of expenses that will not be reimbursed by the Company (not an exhaustive list):

- Newspapers and magazines (unless for business purposes)
- Airline or travel club membership fees
- Personal travel insurance
- Cash or property loss while travelling
- Traffic or parking tickets, fines or other vehicle violations
- Lost or damaged luggage (including personal belongings) – claims must be filed with the travel vendor
- Employee entertainment expenses in personal time, such as theatre tickets, pay-per-view movies, games, etc
- Spouses or family member accompaniment
- Babysitting/child-minding, house-sitting or pet-sitting/boarding fees
- WiFi (unless for business use)
- Personal stationery
- Valeting services
- Green fees, golfing expenses, personal gifts and nightclubs

Emergency Assistance and Travel Insurance

The Company has a duty of care to ensure that all employees travelling on our behalf have the appropriate assistance available.

An 'Overseas Traveller Risk Assessment' must be completed before travel.

When travelling abroad on company business, you are automatically covered by our Travel Insurance Policy. Travellers must download the Chubb Travel Smart App before departing. Further information on installation and set-up will be provided by the travel administrator.

Prior to travelling abroad, please contact the travel administrator, to obtain the insurance details. Your trip will be registered for insurance purposes. You should also be given a 24-hour emergency contact for emergency repatriation.

Travel to high-risk locations (as defined by local governments) is not permitted unless specifically sanctioned by the Divisional President or Regional VP. Insurances will not apply in these locations unless correctly authorised.

Requirements

Other Expense Policies & Guidance

Mobile Devices

Care should be taken with respect to the use of mobile phones for making and receiving calls when abroad. The call costs on such calls can be excessive and thought should be given to whether there might be a better means of communication, such as Teams, wherever possible. Must set up data package via IT prior to departing country of origin.

Conferences & Seminars

Event-related expenses must be approved prior to the trip being booked. Any expenses being claimed must be work-related. Approval is required from the line manager.

Subscriptions & Reference Materials

Subscriptions and reference materials will be reimbursed where required for ordinary business purposes. These materials will become the property of the Company. Approval is required from the line manager.

Professional Memberships

Annual professional membership fees will be reimbursed where required and relevant to the employee's current role. Approval is required from the line manager.

Entertainment Policy & Guidance

Entertaining must be sanctioned in advance and in accordance with the Gifts & Hospitality Policy.

Team building – the highest ranking employee must pay for the meal and show the expense and business reason on their expense report. Sharing expenses and/or copying the same receipt between employees' expense reports is not permitted under any circumstances.

Requirements

Expense Policies & Guidance

Expense reports should contain a clear explanation for all expenditures being claimed for reimbursement, including the name of the employee, the period covered by the report, the date of each expense, details of the expense (including the purpose as appropriate), the type of the expense and value (including currency). If this information is not provided, the expense report will be returned to the employee for correct completion and this may result in reimbursement being delayed.

Employees must complete an expense report manually or use our electronic expense reporting system, SAP Concur. Supporting receipts and documentation must be attached for all expenditures in order to obtain approval. VAT receipts or equivalents are required for all expenses. Employees must seek alternative supporting documents if the original receipt is missing and an explanation should be provided to the approver. Receipts/supporting documents should be attached in the same order as the expense claim so they are easy to match and approve.

Cash tips and expenses are reimbursable, as long as they are reasonable and explainable.

Mileage expense reports must include actual mileage, date, place of origin, destination, and purpose of travel. The place of origin should be the normal place of work.

Expense claims must be submitted monthly, unless agreed with the local Financial Controller. Approved expense claims must be submitted to Finance by the 6th of each month and will be paid by the 15th. All valid and approved expenses will be reimbursed that are submitted within 90 days of purchase. After 90 days, the Company is no longer obliged to reimburse the expense.

Where an employee has a company-issued credit card, an expense report must be completed, with supporting receipts and documentation attached, in order to obtain approval for the expenditure and for Finance to validate the credit card statement. Violation of the Policy will result in the credit card being revoked.

Corporate credit cards will be available in Finance for purchases that are not travelling or entertainment related, and where the vendor is not able or willing to invoice the company directly for goods or services.

If you require a cash/currency advance, please obtain approval on your travel requisition. Foreign currency must be arranged by the traveller, but a receipt may be submitted in advance of travel.

The Manager approving the expense report is responsible for overseeing compliance with this Policy.



At Severn Group, our business success flows from expertise – from technical knowledge and experience that position us as a leader in our field. Not everything, however, can be engineered. The Values which underpin that success stem instinctively from the culture we seek to sustain. Everything we do is tested against our Values, and our people are encouraged to apply them every day: they are the stewards of our brand, our reputation, our heritage, our ambitions.



Customer



Integrity



Excellence



Accountability