Settlement of Expenses

VERSION No.	DATE	DESCRIPTION OF MODIFICATION
01	15-01-2004	Creation of the procedure
02	25-06-2009	General modification of the procedure and the settlement of expenses
03	15-02-2012	Modification of items 3.5, 3.6, 3.7, 3.8, 5.1.2, 5.1.3, 5.1.4, 5.1.5, 5.1.6, 5.2.1, 5.3.1, 5.3.2, 8.2, and inclusion of annexes 1 and 2
04	24-05-2012	Modification of amounts in Annex 1

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DATE:	24-05-2012	24-05-2012	25-05-2012
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1. AIM

The aim of this procedure is to define ICIQ's policy of employee reimbursement for real and reasonable expenses incurred while carrying out duties when they are performed outside of the employee's regular workplace, as well as to define the methodology to be followed when settling these expenses.

2. SCOPE OF APPLICATION

This procedure applies to all ICIQ employees who must perform their duties outside of their regular workplace, due to work or training obligations.

3. INTRODUCTION

3.1. Policy

This procedure will establish ICIQ's policy of employee reimbursement for real and reasonable expenses incurred when carrying out duties outside of the employee's regular workplace. Only those expenses which are consistent with this policy will be reimbursed.

The immediate supervisor who provides approval is responsible for ensuring that the expenses are appropriate and that the settlement is presented with the appropriate proof of expenditure within the required time frame.

The checks and the processes included in this document shall be considered basic regulations for both accounting and monitoring of employees' expenses and the Institute's funds. The expenses shall be attributed to the corresponding budget items, while bearing in mind their specific nature.

3.2. Reasonable work/training expense

A reasonable work/training expense is one that is considered necessary for the operation of the Institute, meaning, those expenses incurred by employees to benefit the Institute, or to advance the interests of the Institute. Reimbursement of work/training expenses may never be considered an extra compensation or incentive for employees.

3.3. Authorization and approval

The approval of the expense settlement is the first check in place to determine the accuracy and validity of the proofs of expenditure and to determine that all charges specified in the form were necessary. All expenses must be signed by employees whose signatures are recognized by the Institute's Administrative Direction.

If the pertinent authorization and approval regulations are not met when creating or approving an expense, disciplinary measures may be applied. Intentional falsification of settlements of expenses will be subject to serious disciplinary measures, including termination (see Art. 54, section 2, letter d) of the Statute of Workers) and/or legal prosecution.

3.4. Safety

The Quality, Safety and Environment Manager will provide advice regarding regional areas or countries that do not provide safety guarantees for work/training travel due to international terrorism, as well as information regarding transport companies to be avoided.

Employees must comply with these instructions as well as the specifications set forth on the Ministry of Foreign Affairs and Cooperation's website: http://www.maec.es/es/MenuPpal/Paises/InformacionporPais/Paginas/Informacin%20por%20Pas.aspx.

3.5. Purpose

The purpose description in the settlement of expenses form is very important for these three reasons:

- It provides the tax authorities with the documentation needed to determine if the company can deduct a specific expense. Should the tax authorities determine the expense does not benefit the company, they may be led to believe that the employee has benefitted directly from it, and consequently, consider it the employees' personal income. As a result, the employee would be obligated to include it in his or her tax returns.

- It provides the party responsible for expense approval with the information needed to approve a specific expense in the Institute's name.

- It provides the Management Area with the information needed to classify a determined expense in the expense summery for a unit or research group.

To the effects of the settlement of expenses, the following purposes are considered to be acceptable:

- Particular duties assigned to staff that should be carried out outside their regular workplace, whether inside or outside the town, such as attendance at conferences, scientific meetings, information days, etc.

- Attendance at training, specialization and education courses to be undertaken outside the regular workplace provided they are linked to the staff functions.

- Participation in selection or aptitude tests panels.

- Collaboration with courses and other training activities in a non-permanent and regular basis (maximum 75 hours per year).

- Purchase of goods and services in the supposition gathered in the paragraph 3.8.

- Work meetings in the supposition gathered in the paragraph 5.4.

- Work meals in the suppositions gathered in the paragraphs 6.2 and 7.2.

3.6. Reservations

Reservations for planes, trains, hotels, car rentals, etc. should be made directly through the internet. In the event of duly justified, exceptional cases Travel Agencies selected by the Institute may be used: Via Augusta Viatges (http://www.viaaugustaviatges.com/), Viajes Costa Dorada/RACC and, in exceptional cases, Viajes El Corte Inglés (http://www.viajeselcorteingles.es).

3.7. Term for the presentation of the settlement of expenses

The settlement of work/training expenses (IMPGRAL-001 "Settlement of expenses form"), along with proof of expenditure must be presented to the appropriate supervisor for review and approval within 10 working days after returning from the trip or incurring the expense and to the Administrative Direction for approval within 30 working days after returning from the trip or incurring the expense. ICIQ will not reimburse work/training expenses after these deadlines without a duly substantiated cause.

Each form is identified with the code **XX/YYYY ZZ**, where:

- XX: Settlement number; it is accompanied by bis, tris, etc. if it is a modification of a previous settlement.
- YYYY: Year.
- ZZ: Internal code assigned to the research group or the unit that settles expenses.

In the form heading the following details must also be included:

- *Name and Surnames*: Name(s) and surname(s) of the individual(s) who made the work/training expense.
- *National ID No./Foreign Resident ID No./Passport*: Identification of the individual(s) who made the work/training expense.
- *Analytical account*: Name and number of the analytical account to which the expense to be settled is charged. In case more than one analytical account is used the amount charged to each one should be indicated.
- *Purpose*: Purpose of the work/training expense.
- *Destination*: Location where the work/training expense took place.
- *Start date*: Date on which the work/training journey in which spending occurred starts.

- *Return date*: Date on which the work/training journey in which spending occurred ends.
- *Start time*: Approximate time on which the work/training journey in which spending occurred starts (with the purpose of calculating the costs of meals).
- *Return time*: Approximate time on which the work/training journey in which spending occurred ends (with the purpose of calculating the costs of meals).
- *Advanced amount (€ or foreign currency)*: The amount of the advance provided and returned, in Euros or a foreign currency (the currency must be identified), and the date and signature of the responsible party who received or returned the advance must be provided.

In the form body the following details must be included:

- *Date*: Date on which the expense to be settled was incurred.
- *Item*: Item creating the expense.
- *ICIQ card*: Amounts of expenses paid for with the ICIQ card.
- *Other card*: Amounts of expenses paid for with a credit card besides the ICIQ card; indicate the kind of card (for example, group card) in the corresponding box.
- *Personal*: Amounts of expenses paid for using cash or a personal credit card.
- *Others*: Amounts of expenses paid for with any other form of payment (outstanding invoice, check, bank transfer from ICIQ, etc.)
- *1 Euro (currency xx/yy/zz)*: Exchange rate established for the currency according to European Central Bank (http://sdw.ecb.europa.eu/curConverter.do) on the day (in format xx/yy/zz) that the expenditure is made; the amount X is to be allocated, when 1 Euro = X currency.
- *Total Kms.*: The number of kilometers travelled in a personal car during the work/training trip; the webpage http://maps.google.es/maps?hl=es&tab=wl must be used for the calculation.

Finally, the form footer should include the following:

- *Date and signature* of the supervisor who authorized the expenses and the Administrative Direction.
- *Sum for reimbursement*: Total amount to be paid back to the individual(s) who incurred the expenses.
- *Employee*: Employee(s) who should be returned the previously allocated amount.
- *Account No.*: Bank account No. which will receive the deposit (if different from that contained in the database of the Institute).
- *Comments*: Any comment or clarification relating to the expenses.

All of the expenses related to work/training must be settled on a single form in order to prevent duplicate documents. However, in order to reduce costs, the expenses from several voyages or different trips may be filed on a single form.

3.8. Purchases

With the exception of certain emergency situations which may require the immediate purchase of auxiliary materials, and the subsequent presentation of the invoice, whenever possible on behalf of the ICIQ Foundation (VAT No. ESG43619550), all materials or services must be requested from the Purchase and Logistic Support Unit (see PGRAL-006 “Purchasing and Logistic Support”).

3.9. Definitions

Conditions of travel

An employee is considered to be travelling when he or she must stay overnight, away from home, when carrying out his or her duties (the distance must be greater than 100 Km). Employees who have set their habitual residence in a different city to the workplace and move daily are excluded.

Immediate supervisor

This is the supervisor of the employee who has the power to approve a settlement of expenses, within the limits established by the Institute’s Administrative Direction.

4. RESPONSIBILITIES

4.1. Of the party responsible for supervision and approval

4.1.1. Proof

All of the expenses incurred during travel must always be verified with proof, even if the expenses were paid through a travel agency, credit card, etc.

The approval of the settlement of expenses should never be a routine task.

The supervisor who approves an expense is just as responsible for it as the person who incurred the expense. Either individual may be contacted to prove an expense. It is both people’s responsibility to guarantee that all of the expenses charged to the Institute are truly necessary, and that the amount is reasonable. The person who certifies the expense and the person who approves it must guarantee that the settlement of expenses forms is correctly completed, and that the vouchers and the calculations are correct.

4.1.2. Compliance and problems of interpretation

The immediate supervisor must inform employees of the responsibilities they assume when they incur an expense for the Institute, and the procedures used to reimburse expenses and amounts which are considered appropriate. It is also the supervisor’s responsibility to prevent, to the extent possible, any type of

misinterpretation of this regulation. Any questions regarding the regulation should be directed to the Institute's Administrative Direction.

4.1.3. Considerations prior to the completion of an expense

Both the employee and the supervisor who grants approval must decide in advance if a specific expense is or isn't necessary and/or if the expense can be minimised while still achieving the same objective. When dealing with a trip or a meeting, special attention must be given to the number of employees from the Institute whose attendance is deemed necessary.

4.1.4. Approval of the settlement of expenses/Authorization diagram

All the settlements of expenses must be dated, signed and approved by the immediate supervisor of the employee who made the work/training expense, or by a person who is authorized to grant approval by the Institute's Administrative Direction.

An employee who certifies or incurs an expense and then submits an expense settlement may not also approve said expense. Instead it must be presented to the relevant immediate supervisor for approval. As such, an employee may not approve his or her own expense, even if a higher level manager has granted the employee this authority.

The Institute's Administrative Direction grants employees who have supervision responsibilities the authority needed to pay for or authorize expenses that are necessary for the good performance of the Institute. To correctly perform this task, the supervisor must confirm that all of the necessary vouchers are included, as well as appropriate special authorizations, when relevant.

Normally, the settlements of expenses are approved before the expenses are paid. To avoid delays, if an employee has been assigned to a location far from the supervisor who is responsible for approving expenses, the employee may receive the money by presenting a pending of approval settlement, as long as the supervisor responsible for approval communicates this, with due forewarning, to the Institute's Administrative Direction.

Upon receiving the a posteriori approval authorization, the Administrative Direction shall send the affected employee confirmation of the approval. Authorization for a posteriori approval shall be registered with the Administrative Direction so it may act as a reference when processing the employee's respective settlement of expenses.

4.2. Of the administration

4.2.1. Checks and final review

The Administrative Direction is responsible for the final review of all the settlements of expenses. This final review includes:

- Verification of the calculations for the settlement of expenses.

- Confirmation that all of the vouchers, receipts and necessary approvals are attached and in accordance with the Institute's regulations.

- A review of the proven expenses (during this review the employee may be requested to provide additional written or verbal explanations).

The fact that the Administrative Direction performs the final review does not, under any circumstance, exempt the employee or the approving supervisor from their initial responsibility in regard to the approval of the settlement of expenses.

4.2.2. Lack of proof or coherence

Any expense which is seemingly unjustified or inconsistent with the objective of this policy must be documented and submitted to analysis by the immediate supervisor who initially approved the expense for subsequent approval.

4.2.3. Payment period

The Accounting Unit is responsible for processing all reviewed and approved settlements of expenses in order to begin payment, which takes place within 10 working days from their approval.

Once an employee has submitted the settlement of expenses and authorized documents the Accounting Unit must provide payment within the indicated period of time, so the employee does not experience a negative economic impact. If the documents attached to the settlement are incorrect or incomplete, said payment may be delayed.

5. WORK/TRAINING TRAVEL EXPENSES

The Institute shall cover certain expenses incurred by its employees when they travel in order to perform their duties. In order to be reimbursed, these expenses must be necessary and reasonably priced.

Employees must minimize their expenses, limiting themselves to those expenses considered normal and reasonable, for example meals, accommodation, transport, etc. The accommodation or means of transport that is the most economical for the Institute must be used, as long as it does not provoke unreasonable inconveniences or unnecessary use of work time.

Non reimbursable expenses are those which are considered personal, and hence, are not payable by the Institute.

5.1. Transportation

5.1.1. General regulations

Employees must attempt to minimize their transportation expenses in a reasonable fashion. Whenever possible they must purchase round trip tickets. Travel plans must be made with sufficient advance notice so they can take advantage of special rates. If, during the journey, there is a change of plans, the employee must search for the most economical means to continue the trip.

Attempts should be made to reserve direct tickets only. The supervisor who approves a trip shall determine whether a work trip may be combined with a personal trip. In this case, the Institute shall only pay for the work-related portion of the trip. Reimbursement for the plane ticket and other means of transportation is limited to the expenses derived from travelling the most direct route between the last location visited for work/training reasons and the employee's residence.

The employee may choose to stay an extra day, at the weekend, in the place where he or she is stationed for work/training. In this case, the Institute will pay for the accommodation at the weekend, as long as the price difference between the tickets is sufficient to cover the expense of the extra night in the accommodation.

Used tickets must be attached to the settlement of expenses.

5.1.2. Air travel

Ticket reservations must always be in economy/tourist class. Exceptionally, the Administrative Direction may authorize a higher class in duly justified urgent cases and if there is no economy class ticket or travel time.

Employees may participate in frequent flyer programs for regular users of airlines. Although the employee is a member of these programs, when making a reservation, he or she must request the most economical fare, without specifying a certain airline or concrete dates, even though they would allow the employee to accumulate kilometers or portions of travel.

The Institute shall not reimburse any membership fee for these programs.

5.1.3. Train travel

Whenever possible, the train should be considered an alternative to air travel, while considering the price, effectiveness, time and availability.

The ticket reservation fee will be made requesting the cheapest economy class. Rate shall be allowed in a higher class in those journeys in AVE or AVANT train in which the fare business class (entitled to free parking 24 hours each way) offset the amount of the ticket in economy class fare plus parking.

5.1.4. Local transportation

Buses, the tube, hotel transportation, taxis and other economical means of transportation must always be used when practical.

Receipts or tickets from these means of transportation should be attached to the settlement of expenses form.

In order to minimize the use of local transport, employees should select hotels near the location they are travelling to for work/training reasons. However, if this is not possible, the most economical means of transport should be used (for example, train instead of taxi). Hence, the employee must contact the organization he or she is visiting to receive information on the least expensive means of transport.

The cost of travel by taxi to and from train or buses stations and airports will be refunded if there are no suitable local transportation alternatives for the same itinerary and must be duly justified.

5.1.5. Parking and tolls

Parking and toll expenses shall be reimbursed as long as they are reasonable and necessary during travel for work/training. Receipts for these expenses should be attached to the settlement of expenses form.

Before parking a car at the airport for several days, the employee must compare the price against that of an alternative means of round trip transportation to the airport. If there is no alternative, the cost of parking of private cars will be reimbursed preferably in low-cost airport parking such as Lavacolla (www.lavacolla.com) or Aparcaivola (www.aparcaivola.com).

Under normal working conditions, daily parking and toll fees shall be paid with previous authorization from the Administrative Direction.

5.1.6. Use of a personal vehicle

The use of personal vehicles is only permitted for local travel when the distance from the regular work center or residence is no greater than 200 kilometers. It is also permitted when no regular means of public transport are available or they are inadequate or are more expensive.

When travelling more than 200 Km to towns, the use of a personal vehicle must be justified by difficulty or impossibility of using another means of transport.

The mileage cost will be calculated using the most direct route, unless a deviation of the route can be justified (for example, changing the route to pick up other employees). Tolls and parking fees shall also be repaid.

Kilometers travelled to reach a public transport terminal (airport, train or bus station, etc.), and to leave a terminal to travel to a different city, are considered kilometres travelled for work reasons.

The mileage cost shall be reimbursed at a set price of €0.19 per Km. To calculate the route the website http://maps.google.es/maps?hl=es&tab=wl has to be used and it must be attached to the travel expense claims. Any amount which exceeds the maximum levels established by the law shall receive the relevant tax treatment, taking into account income and attributed salary with the applicable deductions.

The Institute shall not reimburse the price of petrol.

The Institute is not responsible for any damage affecting the vehicle during the voyage.

Traffic fines shall not be reimbursed by the Institute under any circumstances, as they are the employee's responsibility.

Occasionally, for personal convenience, employees may wish to use a personal vehicle for trips where they would normally travel by plane or train. In this case, the employee must receive previous authorization from an immediate supervisor, and the trip must not cause the employee to use any additional work time or create any additional fees for the Institute. If the trip is authorized the employee will be reimbursed for the kilometers travelled in accordance with the approved rate and the tolls, but the amount of these expenses may not exceed the price of the least expensive train or plane the employee could have taken under normal circumstances.

5.1.7. Vehicle rental

When it is necessary to rent a vehicle for local transportation, employees must adhere to the following regulations:

- The rental car must be a small or medium sized.

- The car must be filled with petrol immediately before return in order to prevent fuel charges (the receipts must be attached to the settlement of expenses form).

- Rental cars must always be reserved with the internet or through the Travel Agencies designated by the Institute.

Whenever possible, employees travelling to the same meeting point should share the car.

Traffic fines shall not be reimbursed by the Institute under any circumstances, as they are the employee's responsibility.

5.2. Accommodation

5.2.1. General regulations

The Institute shall pay for hotel expenses when travelling to cities that are more than 100 Km away for work/training.

The accommodation must be reserved through the internet or the Travel Agencies designated by the Institute, and hotels providing a negotiated rate must be used; hotels with rates higher than the national average should not be used. The employee must inform hotel reception that he or she works for ICIQ so the relevant discounts can be issued.

Real documented and justified cost of accommodation will be refunded provided it corresponds to a hotel of a standard category or, at most, 3 and/or 4 stars. Where the amount exceeds the set out in Annexes 1 and 2 of this document, properly reason (unforeseen circumstances, insufficient supply of hotels, etc) must be justified.

When the purpose of travel is attending a conference or training day and it is necessary to stay overnight in the place where is made, exceptional reimbursement of accommodation expenses incurred may be authorized, provided that motivate and justify the impossibility of staying in a place other than where the training day or conference is organized.

The amount for accommodation includes expenditures for the breakfast when it is included in the price of the room.

5.2.2. Cancellation

If an employee must cancel a hotel reservation, it is his or her responsibility to contact the Travel Agency. The Institute shall not pay for expenses derived from late cancellations.

5.2.3. Suites

Normally the price of suites is not covered, except when using the suite to hold work meetings, and only with previous approval from the Institute's Administrative Direction.

5.2.4. Spouses

In general, employees travelling for work/training should not bring a spouse. When an employee travels for work/training and does bring a spouse (or any other family member) and the expenses have not been previously authorized by the Institute's Administrative Direction, the price difference between a double room and an individual room will be considered a personal expense, and the worker will not receive reimbursement.

5.3. Meals

5.3.1. General regulations

Meal expenses shall be reimbursed by presenting the corresponding receipts or invoices, or through previous approval of the meals.

The maximum amount of allowances to be received in respect of meals is set out in Annexes 1 and 2 of this document and includes the costs for lunch and dinner. This amount will be reduced, if applicable, the amount of the ticket corresponding to the expenditure actually incurred.

5.3.2. Criteria for calculating reimbursable meal expenses

- On trips that start before 2 pm and end after 4 pm, reimbursable meal expenses include the cost of lunch.

- On trips that start at or after 2 pm and end after 10 pm, reimbursable meal expenses include the cost of dinner.

- On trips that start before 2 pm and end after 10 pm, reimbursable meal expenses include the costs of lunch and dinner.

- On trips that include part of two calendar days in duration but not more than one calendar day reimbursable meal expenses are under the conditions specified in the preceding paragraphs.

- On trips that include more than one calendar day, the start day reimbursable meal expenses include the cost of lunch if one leave before 2 pm and/or the cost of dinner if one leave at or after 2 pm and before 10 pm. The return day reimbursable meal expenses include the cost of lunch and dinner if one comes back after 10 pm and only the cost of lunch if one comes back after 4 pm and before 10 pm.

In certain circumstances, if an employee is managing a considerable workload that requires working outside of business hours, and the employee must stay at the workplace and cannot use the company's cafeteria, or if it is closed, the accrued expense shall be compatible with the meal allowance set forth in point 5.3.2.

5.4. Meeting expenses

5.4.1. General regulations

Any employee, who holds a meeting or a conference and pays those expenses, when representing his or her unit/group, must submit the corresponding settlement of expenses and receive approval of the same in accordance with this document.

In those circumstances in which the immediate supervisor, or another high level supervisor, of the employee who incurred the expense also plays an important role in

the meeting/conference, a responsible party from the next business level who was not involved in the meeting/conference must approve the expenses. For example, if an employee organizes a meeting out of the workplace, and his or her immediate supervisor plays an important role in the meeting the employee must complete the settlement of expenses form, but approval must be granted by a responsible party who holds greater power than the immediate supervisor (as long as this party did not participate in the meeting). The exception is the head of the organization that will adhere to the limits established by Institute's Direction.

5.4.2. Incidental participation

In those circumstances where the presence of an immediate supervisor or a higher level responsible party is not essential for a meeting (for example, if he or she gives a brief presentation and leaves), the meeting expenses may be approved by the immediate supervisor of the employee who incurred the expense.

5.4.3. Visits from high level managers

Both meetings and additional expenses (including direct invoicing and spouse expenses) incurred from a high level manager's visit shall be filed for reimbursement with the Institute's Direction.

5.5. Other expenses

5.5.1. Transportation of luggage

Reimbursable luggage transport services include all expenses derived from check-in, transportation and luggage boarding, as well as reasonable tips.

Expenses incurred due to an excess of the employee's personal baggage are not, in general, reimbursable. The Institute will bear the cost of these expenses when they are due to the transport of bulky documentation or tools which the employee needs to perform his or her duties, when these objects cannot be transported by any other means. The circumstances must be explained in the corresponding settlement, and the voucher must be presented.

5.5.2. Telephone

Those employees who must stay in an area far from their residence for work/training reasons may make one brief, daily phone call to their residence, paid for by the Institute. Phone calls made to the employee's residence in the event of a change in travel plans, an emergency, or urgent personal matters shall also be repaid.

Those calls which are necessary for work must be documented in the travel settlement in order to be repaid, and vouchers must be attached.

To prevent paying excessive rates, international calls must be made using the mobile phone assigned to each employee.

5.5.3. Telegram, telex, postage and fax services

Telegrams, telex, post or fax expenses incurred by the employee must be verified and explained in the settlement of expenses in order to be reimbursed.

5.5.4. Laundry

Laundry and dry cleaning expenses shall be reimbursed if the trip is a minimum of 5 days. The vouchers must be attached to the settlement of expenses.

5.5.5. Television and video service (in room)

Charges for in room television services that are not included in the price of the hotel room shall not be reimbursed; the sole exception to this regulation is during travel to countries with political instability.

5.5.6. Loss or damage to personal property or the Institute's property

The Institute provides employees who must travel for work/training the option of acquiring travel insurance when trips must be taken for work reasons. The conditions for obtaining this insurance, as well as its covers, are described in the technical instruction ITGRAL-QSE-008 "Travel insurance".

Hence, the Institute is not responsible for any loss or damage sustained to employee's personal property when it occurs during a work/training trip, at the workplace, or while travelling to or from the work place if the employee is not covered by this travel insurance.

6. EMPLOYEE'S PERSONAL EXPENSES

6.1. Clothing and accessories

Neither clothing nor accessories shall be reimbursed, with the exception of that which is considered work clothes managed by the Quality, Safety and Environment Unit.

6.2. ICIQ employee work lunches

The expenses for work lunches which only include ICIQ employees will only be repaid if said lunches are immediately preceded or followed by a work meeting, or if important work-related subjects are discussed during the meal.

These lunches are only available under circumstances which facilitate these subjects. An explanation for the reason behind the meeting, a list of participants, and the relevant authorization must be attached to the settlement of expenses form.

The maximum prices for lunches will be the following:

- **€35** for lunches on working days, as determined by the Institute's calendar.
- **€50** for lunches on exceptional circumstances (holidays, non-working days, protocol events, etc).

The authorization and approval of these expenses is the responsibility of the Institute's Direction.

7. CUSTOMER RELATED EXPENSES

7.1. Entertainment expenses

Entertainment expenses (theatre tickets or sporting events) shall not be repaid, except under determined circumstances in which said expenses are considered necessary (for example, during negotiations with customers).

If an employee does not receive the necessary authorization, and if the expenses cannot be charged to the Institute's funds, the employee shall bear the cost.

The authorization and approval of entertainment expenses is the responsibility of the Institute's Direction.

7.2. Work lunches for individuals who are not part of ICIQ

If necessary, the expenses for work lunches provided to individuals who are not part of ICIQ shall be repaid, if employees have not exceeded the total number of guests.

In this case, an explanation for the reason behind the meeting and a list of participants must all be attached to the settlement of expenses. The maximum limits for these lunches will be the same as established in the paragraph 6.2. The authorization and approval of these expenses is the responsibility of the Institute's Direction.

Drinks consumed during a work lunch or a customer invitation, are typically paid for by the Institute, as long as they are reasonable and in accordance with the contents of this document.

7.3. Spouses

Spouse's expenses for an event/meeting are not reimbursable. During occasions in which an employee must attend entertainment activities for work-related reasons, and the presence of a spouse is advisable, the Institute's Administrative Direction must provide written approval.

7.4. Entertainment expenses at an employee's residence

Entertainment expenses at an employee's residence are not considered work-related expenses, and hence are not reimbursable, except with previous authorization from Administrative Direction.

7.5. Gifts for customers

The expenses for gifts offered to customers may be repayable under certain circumstances, in accordance with the following criteria:

➢ Gifts may be given to customers or their employees, as long as they are not considered excessive attention which may improperly influence purchasing decisions.

➢ The motivation behind a gift must always be to promote, develop and/or enhance the Institute's relationship with its customers. The Institute can reimburse the cost of a gift given to a customer with these intentions.

➢ A company gift for a customer may never be money or any other monetary instrument (checks, certificates, vouchers, securities, etc.).

➢ Documentation, a correct explanation of the purpose, and receipts must be provided with the corresponding settlement of expenses.

Gifts for customers must be approved by Institute's Direction. The employee and the party responsible for the approval must guarantee that the gift meets the regulations established in this procedure. If there is any doubt regarding compliance when offering a possible gift to a customer, the employee must contact Institute's Direction for clarification.

Any gift given as a bribe or seen as illegal or corruptive is a violation of ICIQ's code of conduct. Any employee who makes such a gift may be subject to disciplinary action by ICIQ (see Art. 54, Section 2, letter d) of the Statute of Workers).

7.6. Anti-bribery regulations

International anti-corruption legislation prohibits companies and individuals from authorizing or promising payments to:

- Government employees from any other country.
- Candidates for a political position in another country.
- Foreign political parties.
- Any other individual, if the payer knows that the receptor will give the amount paid, entirely or in part, to a government employee or a political party in another country.
- Any individual, with the goal of obtaining or retaining business, or with the intent of obtaining preferential treatment in business transactions which have already begun.

Consequently, In Spain, any of these five conditions may be considered a transgression of contractual good faith, according to Art. 54, Section 2, letter d) of the Statute of Workers, and this may give way to termination.

7.7. Customer's travel and accommodation expenses

Under certain circumstances, customers' travel and accommodation expenses may be paid, so that they may attend a related meeting, conference, presentation or demonstration that is not held at their place of residence. In these cases, said invoices must be entered into the books as promotional expenses associated with this event, and not as a gift to the customer. The expenses associated with this type of visit may be reimbursable as long as they have been approved by the Institute's Administrative Direction.

8. NECESSARY DOCUMENTS AND PROOF

8.1. Responsibilities

The person who has incurred an expense is responsible for it, as is the supervisor who approves it. Both must ensure that all of the expenses attributed to the Institute's account are justified, and the amount must be reasonable.

8.2. Requirements for documents to be attached

Tax authorities require companies to provide vouchers for amounts paid (except for allowances), through the settlements of expenses submitted by their employees, since the company deducts these expenses.

Ensure that all receipts are printed with ink (never pencil), and they must be legible. Receipts which do not meet these requirements will be returned to the party who provided them.

All invoices, receipts and used tickets (plane, train, etc.) which act as proof of expenditure must be attached to the settlement of expenses. No personal card receipts will be considered proof of payment. Likewise, in the event of travel for training, the original IMPGRAL-003 "Training action request" record must be attached and duly approved by the relevant supervisor.

8.3. Files and accounting records

To meet Institute's accounting record requirements, the Administrative Direction must be provided with correct accounting information in the settlements of expenses. At the same time, when expenses are derived from work meals, conferences or entertainment activities, information on the participants must be provided, whether they are ICIQ employees or from another company.

8.4. Settlement of expenses

When creating a settlement of expenses for travel, the employee can settle all of the reimbursable expenses, whether paid with credit card or cash, in the settlement of expenses form when the trip or travel is concluded. The original vouchers must always

be attached in the situations where they are required in this procedure. Expenses paid in foreign currency shall be settled using the exchange rate applied by the bank purchasing the foreign currency.

9. ADVANCES

The Institute provides advances to employees for the expenses that will be incurred due to work/training trips or travel.

Advances will be provided in Euros or the foreign currency used in the country where the employee will travel, and preferably, by bank transfer. If the requested advance is granted in cash, said amount can be provided directly from the cash box, by using IMPGRAL-010 “Money withdrawal sheet”, as long as the total amount is under 200 Euros. Under any circumstance, the amount requested for an advance must be recorded in the settlement of expenses.

Bank fees for the exchange of foreign currency paid by workers when travelling abroad are reimbursable through the settlement of expenses when the voucher is attached.

The amount requested as an advance must be in line with foreseeable expenses to be paid during the trip; the maximum limit will be the amount to be reimbursed for meals, local transport and the hotel. These limits are not recommended amounts, but rather maximum limits. Hence, employees must request the amount they deem necessary that falls within these limits.

Advances must be authorized by the Institute’s Administrative Direction.

10. RELATED DOCUMENTS

- PGRAL-002 Training
- PGRAL-006 Purchasing and Logistic Support
- ITGRAL-QSE-008 Travel insurance

11. RELATED RECORDS

Record	Form code	File location	File manager	Storage time
Settlement of expenses	IMPGRAL-001	Folder: Dietas	Accounting Unit	4 years
Training action request	IMPGRAL-003	Folder: Sol·licitud Acció formativa Valoracions	Quality Unit	Employment duration+ 3 years
Evaluation of training action	IMPGRAL-004	Folder: Sol·licitud Acció formativa Valoracions	Quality Unit	Employment duration+ 3 years
Money withdrawal sheet	IMPGRAL-010	Folder: Caixa	Accounting Unit	Employment duration + 3 years

12. INDICATORS

Indicators are not applicable to this procedure.

ANNEX 1: ALLOWANCES AMOUNT[1]

A) IN SPANISH TERRITORY

Accommodation	Meal expenses	Full allowance
€65.97	€37.40	€103.37

B) IN FOREIGN TERRITORY

Country	Accommodation	Meal expenses	Full allowance
Algeria	€101.57	€44.47	€146.05
Andorra	€46.88	€37.86	€84.74
Angola	€135.23	€59.50	€194.73
Argentina	€111.19	€55.29	€166.48
Australia	€81.14	€51.09	€132.22
Austria	€95.56	€58.90	€154.46
Belgium	€148.45	€82.94	€231.39
Bolivia	€51.09	€36.66	€87.75
Bosnia-Herzegovina	€72.72	€49.88	€122.61
Brazil	€128.02	€79.33	€207.35
Bulgaria	€53.49	€37.86	€91.35
Cameroon	€88.35	€48.68	€137.03
Canada	€94.36	€51.69	€146.05
Chile	€102.17	€50.49	€152.66
China	€71.52	€46.28	€117.80
Colombia	€123.81	€78.13	€201.94
Congo	€101.57	€54.09	€155.66
Costa Rica	€65.51	€44.47	€109.99
Croatia	€72.72	€49.88	€122.61
Cuba	€56.50	€33.06	€89.55
Czech Republic	€101.57	€43.27	€144.84
Denmark	€122.61	€64.91	€187.52
Dominican R.	€64.31	€36.66	€100.97

[1] Maximum daily amount to be justified in projects under the Ministry of Economy and Competitiveness (MINECO), former MICINN (RD 462/2002 of 24 May).

Settlement of Expenses

Country	Accommodation	Meal expenses	Full allowance
Ecuador	€64.91	€43.27	€108.18
Egypt	€91.35	€39.07	€130.42
El Salvador	€66.11	€43.27	€109.38
Equatorial Guinea	€87.75	€50.49	€138.23
Ethiopia	€119.60	€37.86	€157.47
Filipinas	€71.52	€39.67	€111.19
Finland	€114.79	€65.51	€180.30
France	€122.61	€65.51	€188.12
Gabon	€100.37	€52.89	€153.26
Germany	€132.82	€59.50	€192.32
Ghana	€66.71	€37.26	€103.98
Greece	€69.12	€39.07	€108.18
Guatemala	€89.55	€42.67	€132.22
Haiti	€45.08	€37.86	€82.94
Honduras	€69.72	€42.07	€111.79
Hong Kong	€121.40	€51.69	€173.09
Hungary	€115.39	€46.28	€161.67
India	€99.77	€38.46	€138.23
Indonesia	€102.17	€42.67	€144.84
Iraq	€66.11	€39.07	€105.18
Iran	€80.54	€44.47	€125.01
Ireland	€93.16	€48.08	€141.24
Israel	€92.56	€56.50	€149.05
Italy	€131.02	€63.11	€194.13
Ivory Coast	€61.30	€49.28	€110.59
Jamaica	€76.93	€46.28	€123.21
Japan	€159.87	€96.76	€256.63
Jordan	€93.16	€42.67	€135.83
Kenya	€82.34	€39.67	€122.01
Korea	€102.17	€55.29	€157.47
Kuwait	€122.61	€44.47	€167.08

Settlement of Expenses

Country	Accommodation	Meal expenses	Full allowance
Lebanon	€115.39	€34.86	€150.25
Libya	€102.17	€54.69	€156.86
Luxemburg	€135.83	€55.89	€191.72
Macedonia	€72.72	€49.88	€122.61
Malaysia	€91.95	€34.26	€126.21
Malta	€46.28	€31.85	€78.13
Mauritania	€49.28	€39.07	€88.35
Mexico	€81.74	€43.27	€125.01
Montenegro	€72.72	€49.88	€122.61
Morocco	€99.17	€39.67	€138.83
Mozambique	€67.31	€42.67	€109.99
Netherlands	€126.81	€64.31	€191.12
New Zealand	€65.51	€40.27	€105.78
Nicaragua	€94.36	€52.89	€147.25
Nigeria	€117.80	€46.88	€164.68
Norway	€132.82	€80.54	€213.36
Pakistan	€58.30	€37.26	€95.56
Panama	€64.91	€36.66	€101.57
Paraguay	€45.68	€33.06	€78.73
Peru	€79.93	€43.27	€123.21
Poland	€99.77	€42.67	€142.44
Portugal	€97.36	€43.87	€141.24
Romania	€126.81	€38.46	€165.28
Russia	€227.78	€73.32	€301.11
Saudi Arabia	€73.92	€54.09	€128.02
Senegal	€67.91	€45.08	€112.99
Serbia	€72.72	€49.88	€122.61
Singapore	€85.34	€48.08	€133.42
Slovakia	€75.73	€43.27	€119.00
Slovenia	€72.72	€49.88	€122.61
South Africa	€64.31	€48.08	€112.39

Settlement of Expenses

Country	Accommodation	Meal expenses	Full allowance
Sweden	€147.25	€75.13	€222.37
Switzerland	€148.45	€61.30	€209.75
Syria	€83.54	€46.28	€129.82
Thailand	€69.12	€39.07	€108.18
Taiwan	€81.74	€48.68	€130.42
Tanzania	€76.93	€30.05	€106.98
Tunisia	€51.69	€46.28	€97.96
Turkey	€61.30	€39.07	€100.37
UAE	€101.57	€56.50	€158.07
United Kingdom	€156.86	€82.94	€239.80
Uruguay	€57.70	€41.47	€99.17
U.S.	€143.04	€69.72	€212.76
Venezuela	€78.13	€36.06	€114.19
Yemen	€132.82	€43.27	€176.10
Zimbabwe	€76.93	€39.07	€116.00
Rest of World	€108.78	€40.87	€149.65

ANNEX 2: ALLOWANCES AMOUNT[2]

A) IN SPANISH TERRITORY

Accommodation	Lunch expenses	Dinner expenses	Full meal expenses
€90	€22	€33	€55

B) IN FOREIGN TERRITORY

	Africa	North America	Central and South America
Accommodation	€132	€295	€220
Lunch expenses	€19	€42	€30
Dinner expenses	€22	€50	€35
Full meal expenses	€41	€92	€65

	Asia	Europe	Oceania
Accommodation	€187	€228	€295
Lunch expenses	€26	€32	€42
Dinner expenses	€31	€38	€50
Full meal expenses	€57	€70	€92

[2] Maximum daily amount to be justified in ICIQ or projects different from those under the Ministry of Economy and Competitiveness (MINECO), former MICINN.