



## GLOBAL STANDARD Expense Reimbursement

### KEY PRINCIPLES

- **Expenses must be incurred in line with this standard**
- **Employees must ensure that expenditure is necessary, reasonable and directly connected to the transaction of company business**
- **Employees must use their Corporate Card to pay for business travel and expenses ONLY.**
- **Expense report submission is limited to one expense claim per month**
- **Expense claims must be submitted within 30 days of the card transaction date**
- **Expenses incurred for company business must be properly supported by adequate documents (e.g. invoices) where required and are not for personal benefit**
- **Managers are responsible for ensuring they are approving expense(s) in line with spirit and letter of this standard, and within 5 days of the submission date.**

### WHY IT MATTERS

Business travel & expense represents a significant time commitment and major expense. We must be responsible stewards of company resources and all company employees are expected to exercise common sense and prudent business judgement when incurring expenses on behalf of the company.

This standard sets out the mandatory requirements for incurring expense(s) on behalf of the company, submitting, reviewing and approving expense claims and is designed to;

- Ensure all employees have a clear and consistent understanding of the standard when incurring and reporting expenses
- Ensure managers have a clear and consistent understanding of the standard when reviewing and approving expense claims
- Maintain compliance with tax regulations and other legal requirements

Use this Standard, along with our values and behaviours and your own good judgment, to help you make the best decisions about incurring expenses

### WHAT YOU NEED TO KNOW

Employees will be reimbursed for reasonable business expenses incurred in the performance of their role. AZ reserves the right to refuse reimbursement of inappropriate or excessive expenses incurred in violation of this standard or seek reimbursement from the employee for inappropriate claims. SAP Concur will be the system of record for submission and approving expense claims.

**PLEASE NOTE:** If SAP Concur is not available in your country, local submission / approval tool must be used in line with this global standard.

The company has implemented a system of controls to monitor and audit expense claims, including controls to identify fraudulent or inappropriate expenses. Failure to comply with this standard may result in delay or refusal of reimbursement, and/or disciplinary action up to and including termination of employment. This includes failing to repay the company in a timely manner for any expenses found to be inappropriate or excessive during monitoring, auditing and investigation.

Any questions or concerns should be directed to your manager in advance of expenses being incurred. Suspected violations of this standard should be directed to your supervisor, Human Resources, Finance, Legal or Compliance partner.

Any exception to this standard must receive advanced written approval from the Global Chief Financial Officer. Line managers do not have the authority to issue pre- or post-authorisation of non-reimbursable expenses.

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### 1. SCOPE

This AZ Standard applies to all employees of AstraZeneca and its consolidated legal entities, including all full-time and part-time directors, officers, employees and temporary staff worldwide who incur or seek reimbursement from the company for business expenses, or are accountable for approving expense reimbursement.

Although third parties are not directly bound by the requirements of this standard, AstraZeneca is committed to engaging only those third parties who embrace standards of ethical behaviour that are consistent with our own. When adherence to this standard is required (for example, with respect to a contract sales organisation), this must be detailed in the signed contract or other written agreement with the third party.

**NOTE:** Business unit/country leaders may institute a more restrictive standard to meet business needs and/or reflect local conditions. Modification to the global standard must be approved by

the Global Chief Financial Officer.

This standard does not cover Travel Booking or Relocation. Please see reference section for more information on these standards.

## **2. CORPORATE CREDIT CARD**

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Corporate credit cards are only issued to AZ employees or contract employees paid via AZ payroll, and use of the corporate card to pay for business travel and expenses is mandatory. Cardholders may use their corporate card to pay on behalf of another employee only in the event the employee does not have a corporate card or their card has been lost or stolen; however, the corporate card should never be used to purchase on behalf of the employee's line manager.

Every effort should be made to conduct business with suppliers who accept cards. When this is not possible, an alternative payment method can be used and claimed back as out-of-pocket expense.

Personal cards/funds may only be used when the corporate card has been lost or stolen. Lost or stolen cards must be immediately reported to the card issuer.

Personal use of the corporate card is strictly prohibited. If the corporate credit card was used in error for personal expenditure, the money must be promptly reimbursed to the company or card provider as required. AstraZeneca reserves the right to deduct any such sums from salary in accordance with local law.

The cardholder must pursue the resolution of any incorrect/suspicious transactions on the corporate credit card in a timely manner, by either contacting the merchant and or the credit card company.

Cash advances are not permitted, and the card must not be used to purchase foreign currency. Employee's must use their own means to purchase foreign currency. The employee will then be reimbursed based on receipt submitted and for any bank charges incurred on their personal debit or credit card.

## **3. INCURRING EXPENSES**

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### **3.1 AIRFARE**

Rules on Airfare are outlined in the Global Travel Standard. In relation to expense reimbursement of Airfare, costs must be recorded under the Expense Type 'Airfare'.

Travel agency fees, e.g. BCD charges, must be recorded under the Expense Type 'Travel Agency Fees'.

### **3.2 LODGING/HOTEL ACCOMMODATION**

For tax purposes (VAT, GST, Corporation Tax, etc.) hotel bills must be made out to the employees AstraZeneca company's name address and a itemised hotel bill should be provided.

Employees choosing to stay with family or friends during a business trip can expense one business meal per 5-day period with their hosts. The meal should not exceed the employee's

country meal cap limit and be supported by receipt documentation and list of attendees. See point 3.4.3 Meals External / Internal (Non-HCP's) for more information.

Lodging/Hotel Accommodation must be recorded under the Expense Type 'Hotel' and the invoice (bill) must be itemized in Concur against the applicable expense type (Hotel, Meals, Meeting Room/Equipment, Other Business Costs, etc.)

### **3.3 GROUND TRANSPORTATION**

Ground transportation costs (taxi, rail, bus, etc.) must be charged to the Corporate Credit Card whenever possible. Taxi / Uber are an acceptable mode of transport, but consideration should be given to use of less costly option such as buses, subway, car services or airport and hotel shuttles. Tips for taxi, shuttle or car service must be included on the receipt and should not exceed local customary amounts.

In all cases, employees are expected to use prudent judgment in choosing the most appropriate method of ground transportation, including consideration of one's personal safety and schedule constraints. Employees and others travelling together at the company's expense are expected to share cars/taxi's and combine trips to avoid unnecessary cost.

Taxi's should be recorded under the Expense Type 'Taxi'. All other Ground Transportation methods should be recorded under the Expense Type, 'Rail/Bus/Public Transport'.

### **3.4 MILEAGE REIMBURSEMENT**

Employees may use their personal car for business purposes when;

- Company Car is not provided
- Total cost of journey including parking is less expensive than renting a car, taking a taxi or alternative transportation OR
- More timely than taking public transportation;

An employee using their personal car for company business must ensure they have a valid driving license, the car is both roadworthy and insured for business purpose in accordance with local laws. Such insurances are the responsibility of the employee and not reimbursable. Employees will be reimbursed for business miles based on local statutory rules, tolls and parking. Motoring fines will not be reimbursed by the company under any circumstances

### **3.5 MEALS & ENTERTAINMENT**

#### **3.5.2 PERSONAL MEALS**

Personal meal expenses incurred by employees when away on business trips will be reimbursed for reasonable actual meal expenses, including tips, unless meals are being reimbursed as a per diem rate defined by local standard or statutory requirement. Tips included on the meal receipt will be reimbursed and should be within local customary standards. For more information on Personal meal spend limits [Click Here](#)

Personal meals including tips should be recorded under the Expense Type, 'Personal Subsistence' in Concur.

#### **3.5.3 MEALS WITH HEALTHCARE PROFESSIONALS (HCP's)**

Interactions with healthcare professionals and government officials are highly regulated. All expenses involving HCP's must be in accordance with the relevant Global & Local Standard and Standards governing interactions with HCP's [Click Here](#)

If an HCP attends a meal in which you expense, without exception all employees must follow the rules outlined below to ensure the company can meet its global payment transparency obligations:

- You must use the Expense Type, 'Meals with Healthcare Professionals' to record the transaction in Concur
- You must use the 'Healthcare Professional' Attendee Type to find and select each HCP attendee from the 'Advanced' search attendee screen in Concur

**PLEASE NOTE THE Following:**

1. Due to Concur limitations, an employee cannot search outside their region for a HCP. If you incur expenses with a HCP outside your region, email the details to the [global-payment-transparency@astrazeneca.com](mailto:global-payment-transparency@astrazeneca.com)
2. If you cannot find the HCP guest within your region using the search function in Concur, please email the Global Payment Transparency Team for support at [global-payment-transparency@astrazeneca.com](mailto:global-payment-transparency@astrazeneca.com). You must not, under any circumstances, omit the HCP attendee, or add them as an 'External Guest'..

Spend limits with HCP's will vary from country to country. For more information on meal spend limits [Click Here](#)

#### **3.5.4 MEALS WITH EMPLOYEES, CLIENTS AND SUPPLIERS (NON-HCP's)**

Business meals include a specific business discussion and are taken with current or potential customers, vendors or employees and subject to spend limits. Local business meals should be an exception and are not meant for routine matters or when work can be completed during normal working hours. Reimbursement for business meals is based on actual and reasonable cost within a spend limit including tips, and tips included on the meal receipt will be reimbursed and should be within local customary standards. For more information on meal spend limits [Click Here](#)

Business meals taken with other employees will be reimbursed when:

- A customer or other business affiliate is present;
- At least one employee is travelling on business;
- Business must be conducted offsite for confidentiality reasons, or;
- A meal extends a working day due to critical business needs.

To ensure independent oversight of business expenses, when more than one employee is present, the most senior level employee in attendance is responsible for paying for the meal using their Corporate Credit Card and seeking reimbursement, except when not practical (e.g. a pre-arranged locally-hosted formal event with visiting senior management).

Business Meals with clients, suppliers and employees should be recorded under the Expense Type, 'Meals – Internal/External Guests (No HCPs)' and the following information provided;

- Nature and purpose of meal
- Name and location of the restaurant
- A complete listing of attendees (name, job title and company)
- Receipt

#### **3.6 PROFESSIONAL SUBSCRIPTIONS**

When a professional qualification is a requirement for your job, and is part of your job description, professional fees may be claimed supported by a receipt, and you can use your Corporate Credit card to pay the fee. These fees should be recorded in Concur under the Expense Type 'Professional Membership Fees'.

### 3.7 PASSPORT & VISA FEES

Visa fees will be reimbursed when required for business travel and must be recorded in Concur under the Expense Type 'Passport/Visa Fees'. Cost of passports are non-reimbursable unless travellers passport was lost/stolen during a business trip.

### 3.8 TRAINING COURSES

Individual training courses must be pre-approved by line manager and Human Resources and any relevant costs incurred by the employee will be reimbursed via Concur. Seminar/conference attendance must be agreed in advance with line manager. Individual training courses and seminar/conference registration fees must be recorded in Concur under the Expense Type 'Seminar/Course Fees'.

### 3.9 GIFTS & REWARDS

Gifts to AZ employees for life time events (Birth, marriage, bereavement, serious illness, etc) and retirement gifts for employees who have completed more than 5 years' service, are allowable, should be reasonable and paid for on the Company Credit card, and recorded under the Expense Type, 'Employee Award/Gifts'. For more information on Gift & Reward limits [Click Here](#).

Gifts to Suppliers and Other Third Parties

- Where locally allowed, we may give or accept modest, infrequent gifts.
- We do not give or accept cash or cash equivalents (such as gift cards).

### 3.10 MOBILE PHONE

Mobile phones provided by the company are intended for business use by employees who need to communicate while away from company facilities. When in an AstraZeneca facility MS Teams should be used instead of mobile, unless it is unavoidable.

Employees who are issued company-paid mobile devices should keep to a minimum their use for personal / private purposes. Personal calls such as phoning home whilst away on company business is acceptable as long as it's reasonable. When travelling internationally please be aware of the differing data and call charges you will incur in those countries. To avoid expensive data charges please utilise appropriate Wi-Fi connections wherever possible. Phone usage is monitored for spikes in usage, and AstraZeneca reserves the right to request reimbursement for unreasonable usage costs.

Calls from a personal mobile phone while on company business for reasonable usage will be reimbursed based on supporting documentation. However, if you're a frequent traveller and need to make business calls as part of your job activities, you should discuss with you line manager about the purchase of an AZ company owned mobile phone.

**PLEASE NOTE:** Do not use hotel services to place calls as most hotels impose substantial surcharge fees to telephone calls made on their premises. Hotel telephone charges for long-distance calls will not be reimbursed unless such charges were unavoidable.

Mobile charges should be recorded in Concur under the Expense Type 'Mobile Phone'.

### 3.11 INTERNET CHARGES

When travelling AstraZeneca will reimburse nominal internet access fees for employees who need to access internet outside an AZ facility. Such access must be reasonable and necessary for business.

Internet charges should be recorded in Concur under the Expense Type 'Internet/Online fees'.

#### **4. NON-REIMBURSABLE EXPENSES**

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In addition to other prohibited expenses as identified in this standard, the following expenses are not reimbursable under any circumstances;

- Travel costs from home to primary business location (except when required by contract or local statute)
- Personal credit card/ATM & interest charges related to personal cards and bank transactions
- Recognition awards for employees. CatAlyze must be used for employee recognition
- Gifts to employees with the exception of birth, marriage, illness, bereavement or retirement.
- Professional Services / Contractor fees
- Laundry and dry cleaning for trips less than 5 consecutive days
- Personal expenses, side-trips & entertainment (health clubs, sporting events, movies, massages, etc.)
- Upgrades on airfare, airline lounge fees, accommodation or car hire
- Airline, auto club and other club memberships
- Ancillary hotel charges lacking business purpose (Mini-Bar alcohol, in-room movies)
- Excessive alcohol expenses
- Expenses incurred at inappropriate venues, e.g. adult entertainment venues or venues that exclude members based on gender.
- Home maintenance, pet boarding, baby-sitting, gardening, etc.
- Personal legal charges and fines/penalties for violations for traffic laws
- Personal items that are used for business (e.g. attaché cases, luggage)
- Other personal articles and services such as toiletries, clothing, barber, hairdresser, beautician, spa services, shoeshine, etc.

#### **5. SUBMISSION OF EXPENSE REPORTS**

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Expense report submissions are limited to one expense claim per calendar month to minimise processing costs. Corporate credit card charges and out of pocket expenses must be submitted within 30 days of the charges being uploaded into Concur or expenses being incurred, to ensure timely recording and payment of corporate credit card expenses.

Employees with overdue corporate credit card charges, will be automatically notified weekly to submit their expenses. If the transactions remain unresolved after 35 days, the matter will be escalated through line management and may result in disciplinary action, including suspension of Corporate Credit card or charges being processed as non-reimbursable expenses.

Employees who travel frequently internationally, or are liable for Corporate Credit Card payments, may submit a maximum of two reports per month.

If the expense report has been rejected by a manager or the audit team, the employee should take the requested action and resubmit the report within 5 business days.

#### **6. DOCUMENTATION**

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AstraZeneca operates an electronic receipt policy, and all required receipts and supporting documentation must be attached to the Concur expense claim.



Travellers should adhere to appropriate local documentation requirements as may be required by tax authorities or other regulations. For more information on documentation requirements by country [Click Here](#).

Original, itemized receipts are the property of AstraZeneca. Receipts and supporting documentation must include name of vendor, location, date, list of items purchased, or service provided, amount paid and payment method. **PLEASE NOTE:** Credit card transaction slips alone are not acceptable documentation.

When a required receipt is not available the 'Lost Receipt Affidavit' must be completed in Concur.

When travelling in countries that charge Value Added Tax (VAT), the following additional requirements apply;

- Original full VAT invoices should be obtained (express checkout receipts at hotels or credit card slips do not qualify as receipts for VAT purposes)
- All hotel invoices (bills) must be issued to the appropriate AstraZeneca company full legal name, address and VAT details
- All invoices need to show the supplier's VAT number

## 7. APPROVAL OF EXPENSE REPORTS

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Expense report approval is an important control function and should be completed within five days of report submission. Manager's approval of an employee's expense report indicates they have confirmed that all expenditure was incurred and is supported by receipts obtained, and that it was wholly, exclusively, necessary on company business and in accordance with this standard and any local standards.

## 8. LEAVERS

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Before an employee exits the company, their line Manager must ensure;

- Termination end date is entered in the HR system prior to employee exit date
- All outstanding expenses have been entered and submitted in Concur by the exit date
- Confirm with the employee that any standing orders against the Corporate Credit Card have been cancelled
- Any corporate credit card issued to the exiting employee is destroyed

## 9. RESPONSIBILITIES

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Expense claimants are responsible for;

- Ensuring they have read and understood the standard in advance of incurring expenses
- Incurring business expenditure only in line with this and local (if applicable) standards
- Using their Corporate Credit Card to pay for business Travel & Expenses
- Obtaining and retaining compliant receipts and documents (i.e. invoices)

Line Managers are responsible for;

- Ensuring all staff have read this standard
- Verifying compliance to this standard when approving an expense report;
- Ensuring appropriate documentation is attached;
- Timely approval of submitted expense reports;



- Discussing violations with employees, seeking reimbursement or in extreme circumstances taking the appropriate disciplinary action with the support of Human Resources if necessary

Additionally, Expense Auditors are deployed to;

- Verifying compliance to standard for expense reports selected for audit
- Rejecting expense claims to an employee for correction when necessary
- Escalating standard violations to manager, Human Resources or to the compliance team

## 10. REFERENCES

### [Code of Ethics](#)

Also see the following Global Standards:

- [Anti-Bribery and Anti-Corruption](#)
- [Business Travel](#)
- [Employees and Alcohol](#)
- [Engaging Third Parties](#)
- [Government Interactions](#)
- [Items of Value and Hospitality](#)
- [Meetings](#)

Other references:

- [Local Expense Reimbursement Requirements](#)
- [AZ Global Business Travel & Accident \(BTA\) Programme](#)
  - [Businesses covered by BTA Programme](#)

## 11. REVISION HISTORY

DOCUMENT HISTORY		
Version	Description of change	Effective date
1.0	Original	16 Aug 2012
2.0	Standard aligned with Finance Library format. Updated report and corporate card submission requirements	06 Sep 2017
3.0	Standard aligned with Global Standard Format. Relaunched standard to include incurring expenses and non-reimbursable expense requirements	12 Apr 2021