Introduction:

Finance department has responsibilities to govern to create standardized processes, clear roles, and responsibilities related to the management of financial activities within the organization.

This work procedure document is designed and targeted for officers within and outside Finance department (or its equivalent in subsidiary entities) to be guiding procedures for the specified financial and accounting processes in the Objective section.

Adherence to the activities and steps are crucial and mandatory to all targeted stakeholders to ensure consistent and transparent financial practice, clear accountabilities, regulatory compliance, and alignment with the company's financial policies used in conjunction with this work procedure.

Objective:

To establish the guideline procedures for 'Employee Reimbursement process', ensuring that AP transactions from employee reimbursement are processed accurately and in a timely manner into the Enterprise Resource Planning (ERP) system to facilitate timely payment processing.

Scope:

This work procedure shall be adopted by Banpu Public Company Limited and subsidiaries, whose Finance and Accounting operations are handled by Finance department in Thailand, and shall be effective until announced otherwise.

Definitions:

Key terminology used in this procedure includes the following:

- ▪ Employee Reimbursement

For definitions of each terminology, refer to the Appendix 1: Definitions [File Name: SOP Appendix 1 Definitions].

References:
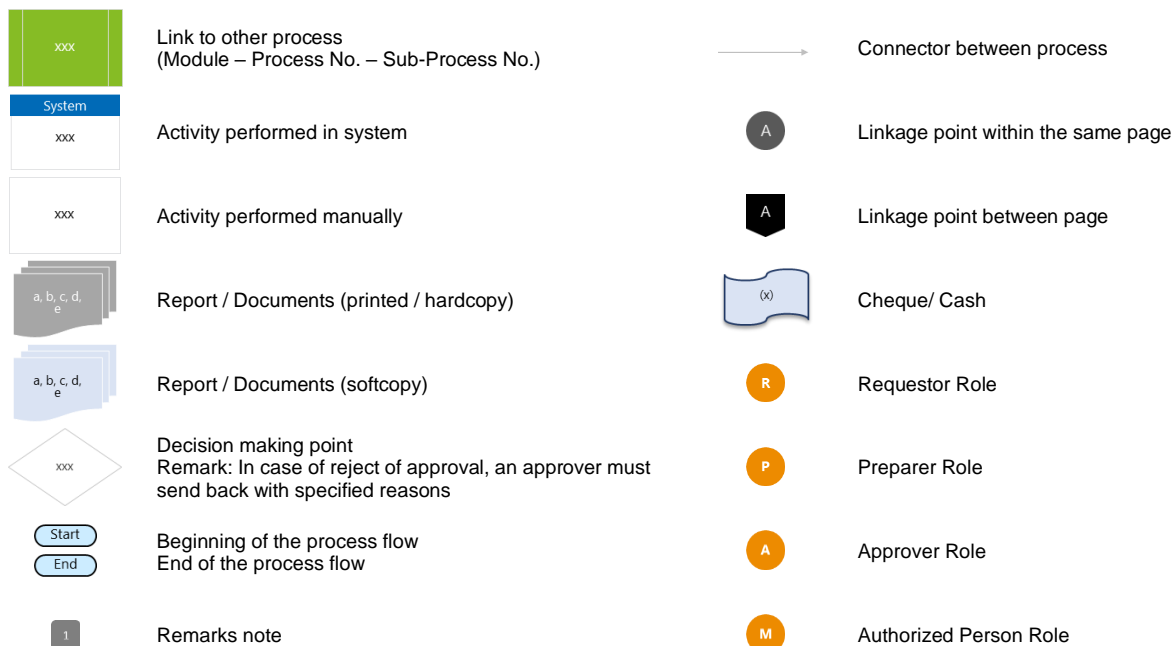
For employee reimbursement recording and approval:

- ▪ HR Policy
  - ○ Welfare and Benefits Policy (No: BP-HR-PO-003 Revision: 01)
  - ○ Announcement No. 28_2567 Regulation for Traveling to Work Overseas B.E.2567
- ▪ DOA

For DOA, refer to the Appendix 2 : References [File Name: SOP Appendix 2 References].

Flowchart:

Process Flowchart Legends

xxx / System	Link to other process (Module – Process No. – Sub-Process No.)	→	Connector between process
xxx	Activity performed in system	A	Linkage point within the same page
xxx	Activity performed manually	A	Linkage point between page
a, b, c, d, e	Report / Documents (printed / hardcopy)	(x)	Cheque/ Cash
a, b, c, d, e	Report / Documents (softcopy)	R	Requestor Role
xxx	Decision making point Remark: In case of reject of approval, an approver must send back with specified reasons	P	Preparer Role
Start / End	Beginning of the process flow End of the process flow	A	Approver Role
1	Remarks note	M	Authorized Person Role

Abbreviations and Definitions

Abbreviation	Definition		Abbreviation	Definition
AP	Accounts Payable		ERP	Enterprise Resource Planning system
AR	Accounts Receivable		ECM	Enterprise Content Management system
FA	Fixed Asset Accounting		ACCP	Accounting Portal system
GL	General Ledger		VAT	Value Added Tax
I&C	Inventory & Costing		WHT	Withholding Tax
TR	Treasury Operations		SBT	Specific Business Tax
MA	Managerial Reporting and Budgeting		CIT	Corporate Income Tax
D&I	Digital and Innovation		APV	Accounts Payable Voucher
MS&L	Marketing, Sales & Logistics			

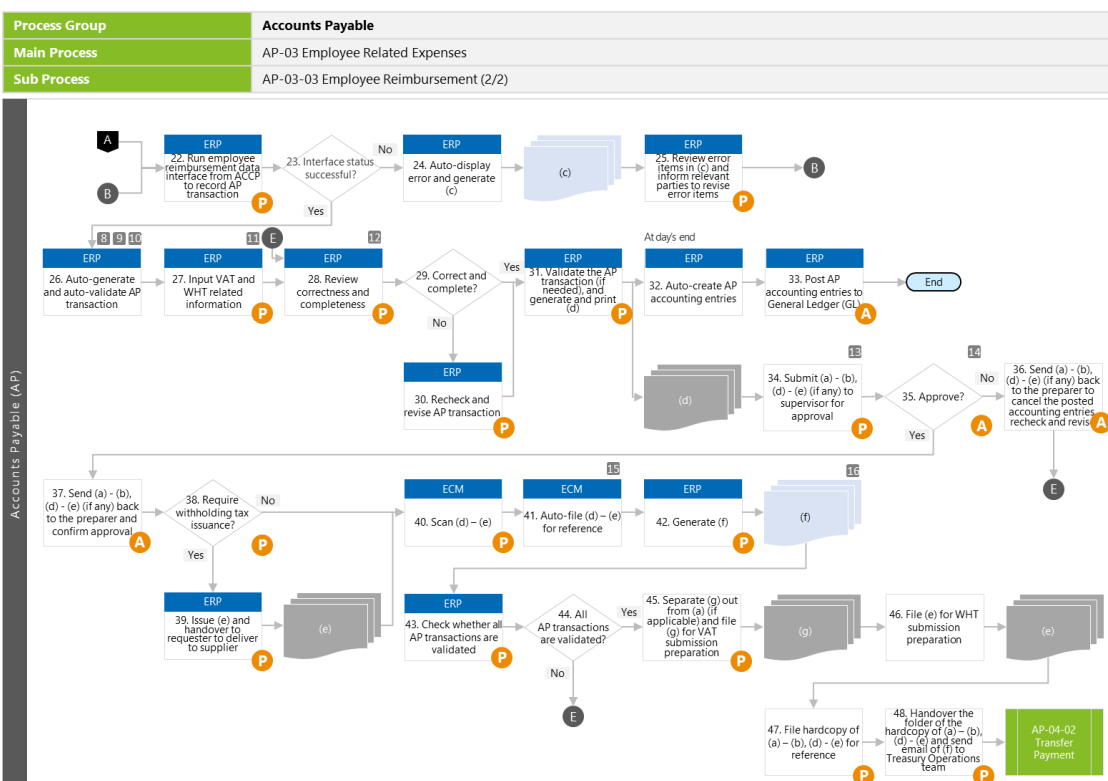| Process Group	Accounts Payable
Main Process	AP-03 Employee Related Expenses
Sub Process	AP-03-03 Employee Reimbursement (1/2)

Relevant Document(s)

a) Receipt or Receipt/ Tax Invoice
b) ACCP Form for Employee Reimbursement with QR Code (For ECM reference to upload supporting documents)
c) Exception Report
d) AP Voucher (APV) with QR Code (For ECM reference to upload supporting documents)
e) WHT certificate
f) AP Voucher Listing Report includes information at least:
 - Due Date
 - Pay Group
g) Receipt/ Tax invoice (including e-Tax Invoice)

Remark(s)

1. Employee reimbursement request should contain at least the following:
 - Employee name and ID
 - Transaction description
 - Expense type for the reimbursement request
 - Total Transaction amount (including VAT amount)

2. Employee information are defaulted from B-Success system

3. In case of employee reimbursement for travelling expense, a requester needs to input the "TA Number" for reference.

4. In case of E-Tax Invoice, user submits the document by uploading to ECM (with type of "E-Tax") and email to AP team.

5. User submits the supporting documents for review and approval via either hardcopy or email, according to the country's regulation.

6. AP team reviews at least the following:
 - Transaction amount
 - Receipt/ Tax Invoice number
 - Withholding tax certificate number
 - Accounting record for employee reimbursement

7. AP team records the WHT information at least the following:
 - WHT code
 - WHT amount

Process Group	Accounts Payable
Main Process	AP-03 Employee Related Expenses
Sub Process	AP-03-03 Employee Reimbursement (2/2)

Relevant Document(s)

a) Receipt or Receipt/ Tax Invoice
b) ACCP Form for Employee Reimbursement with QR Code (For ECM reference to upload supporting documents)
c) Exception Report
d) AP Voucher (APV) with QR Code (For ECM reference to upload supporting documents)
e) WHT certificate
f) AP Voucher Listing Report includes information at least:
 - Due Date
 - Pay Group
g) Receipt/ Tax invoice (including e-Tax Invoice)

Remark(s)

8. Example of Information are interfaced at least the following:
 - Transaction description and amount
 - VAT code and amount
 - WHT code and amount
 - Due date for payment per the conditions set

9. WHT information in ACCP must be interfaced to ERP to automatically record WHT transaction.

10. In case a withholding tax certificate is required, AP team needs to run the Withholding Tax (WHT) data transfer to Thai Localization.

11. The information of VAT and WHT needs to be inputted and reviewed in Thai Localization include:
 - Tax invoice number
 - Withholding tax certificate number (if any)
 - Supplier name
 - VAT and WHT amount with correct decimal numbers

12. AP team reviews at least the following:
 - Expense item and amount
 - VAT/ WHT amount per invoice/ tax invoice received

13. AP preparer can submit AP Voucher (APV) for review and approval via either hardcopy or email

14. AP supervisor reviews employee reimbursement at least the following:
 - Supplier name
 - Amount
 - Description/ Purpose

15. ECM will create a folder based on APV and upload the supporting documents in designated folder

16. AP voucher listing report shows AP vouchers by pay group and due date.

Detail of Procedure: AP-03-03

1. User as a requester creates employee reimbursement request with attachment of Receipt/ Tax Invoice in ACCP. The employee reimbursement request contains at least the following:
   - Employee name and ID
   - Transaction description
   - Expense type for the reimbursement request
   - Total Transaction amount (including VAT amount)

   Note:
   - Employee information are defaulted from B-Success system.
   - In case of employee advance for travelling expense, a requester needs to input the "TA Number" for reference.

2. User as a requester reviews the correctness and completeness of employee reimbursement request in ACCP.

3. User as a requester reviews the result from step #2 to determine whether the employee reimbursement request is correct and complete:
   a. If correct and complete, proceed to step #5.
   b. If incorrect and/or incomplete, proceed to step #4.

4. User as a requester rechecks and revises the employee reimbursement request in ACCP. Then proceed back to step #2.

5. User as a requester submits the employee reimbursement request to supervisor for approval in ACCP.

6. User as an approver reviews the submitted request in ACCP against the attached documents from step #1. The review should include:
   - The expense is related to company's activities.
   - The expense is aligned with the company's policy for employee reimbursement.
   - The details in the Receipt/ Tax Invoice shows the correct information and align with the reimbursement request inputted by user.
   a. If approved, proceed to step #9.
   b. If not approved, proceed to step #7.

7. User as an approver rejects the employee reimbursement request with reason in ACCP.

8. ACCP automatically notify the requester for employee reimbursement request rejection via email. Then proceed back to step #2.

9. User as an approver approves employee reimbursement request.

10. ACCP automatically notifies the requester and AP preparer of employee reimbursement request approval via email.

11. User as a requester prints ACCP Form for Employee Reimbursement from ACCP for the document submission.

12. User as a requester delivers the ACCP Form for Employee Reimbursement and Receipt/ Tax Invoice to AP team at the 'self-submit' area.
    Note: In case of E-Tax Invoice, user submits the document by uploading to ECM (with type of "E-Tax") and email to AP team.

13. User as a requester submits and checks in ACCP Form for Employee Reimbursement and Receipt/ Tax Invoice to AP team by scanning the QR code on the ACCP Form using the Kiosk ECM check-in system.

14. User as a requester places the ACCP Form for Employee Reimbursement and Receipt/ Tax Invoice in the designated employee reimbursement box.
<u>Note:</u> User can submit the ACCP Form for Employee Reimbursement and Receipt/ Tax Invoice for review and approval via either hard copy or email, according to the country's regulation.

15. On the employee reimbursement cut-off dates, which occur on the 15th and the last working day of each month, AP preparer collects the ACCP Form for Employee Reimbursement and Receipt/ Tax Invoice from the designated area to prepare for recording Employee Reimbursement transactions.

16. AP preparer reviews the softcopy documents in ACCP against the hardcopy documents received from step #15. AP team reviews at least the following:
    - Transaction amount
    - Receipt/ Tax Invoice number
    - Accounting record for employee reimbursement

17. AP preparer reviews result the from step #16 to determine whether the employee reimbursement request and Receipt/ Tax Invoice are correct and complete:
    a. If correct and complete, proceed to step #19.
    b. If incorrect and/or incomplete, proceed to step #18.

18. AP preparer notifies the requester to recheck and revise the request. Then proceed back to step #2.

19. AP preparer records and reviews VAT and WHT (if applicable). AP team records the WHT information at least the following:
    - WHT code
    - WHT amount

20. AP preparer submits the employee reimbursement request transaction to complete the process in ACCP and to prepare data for interfacing to ERP.

21. ACCP automatically notifies user and AP team for the submitted employee reimbursement via email.

22. AP preparer runs employee reimbursement data interface from ACCP to ERP to record AP transactions.

23. AP preparer reviews the result from step #22 to determine whether the interface status is successful:
    a. If the interface status is successful, proceed to step #26.
    b. If the interface status is unsuccessful, proceed to step #24.

24. ERP automatically displays errors and generates Exception Report. Example of error item is an inactive supplier.

25. AP preparer reviews the error items in Exception Report and informs relevant parties to revise error items displayed. Then proceed back to step #22.

26. ERP automatically generate and validate the AP transactions of employee reimbursement. Example of Information are interfaced at least the following:
    - Transaction description and amount
    - VAT code and amount
    - WHT code and amount
    - Due date for payment per the conditions set
<u>Note:</u>
    - WHT information in ACCP must be interfaced to ERP to automatically record WHT transaction.
    - In case a WHT certificate is required, AP team needs to run the WHT data transfer to Thai Localization.

27. AP preparer inputs and reviews VAT and WHT related information in Thai Localization in ERP including:
    - Tax invoice number
    - WHT certificate number (if any)
    - Supplier name (to replace the employee name)
    - VAT and WHT amount with correct decimal numbers

28. AP preparer reviews the correctness and completeness of AP transactions of employee reimbursement before submitting to supervisor for approval. AP team reviews at least the following:
    - Expense item and amount
    - VAT/ WHT amount per invoice/ tax invoice received

29. AP preparer reviews the result from step #28 to determine whether the AP transactions are correct and complete:
    a. If correct and complete, proceed to step #31.
    b. If incorrect and/or incomplete, proceed to step #30.

30. AP preparer rechecks and revises AP transactions.

31. AP preparer validates the AP transaction (if needed), then generates and prints APV. Then proceed to step #32 and #34.

32. At day's end, ERP automatically creates accounting entries for AP transactions per schedule.

33. AP supervisor as an approver, manually posts the AP accounting entries to GL. Then end of the employee reimbursement process.

34. AP preparer submits the documents related to employee reimbursement to supervisor for approval. The documents include:
    - Receipt/ Tax Invoice
    - ACCP Form for Employee Reimbursement
    - APV
    - WHT Certificate (if any)

    Note: AP preparer can submit APV for review and approval via either hardcopy or email.

35. AP approver reviews the submitted documents to confirm the validation of AP transactions. AP supervisor reviews employee reimbursement at least the following with PO/ invoice:
    - Supplier name
    - Amount
    - Description/ Purpose
    a. If approved, proceed to step #37.
    b. If not approved, proceed to step #36.

36. AP approver sends the documents received from step #34 back to the preparer to cancel the posted accounting entries, and to recheck and revise the AP transaction. Then proceed back to step #28.

37. AP approver sends the documents received from step #34 back to the preparer and confirms the approval.

38. AP preparer considers if the WHT certificate requires to be issued:
    a. If required WHT certificate issuance, proceed to step #39.
    b. If not required WHT certificate issuance, proceed to step #40.

39. AP preparer issue WHT certificate and handover to the requestor to deliver to supplier.
    Note: AP preparer can send the WHT certificate to requester via either hardcopy or email.

40. AP preparer scans the APV and WHT Certificate related to employee reimbursement via ECM.

41. ECM automatically files the scanned documents from step #40 for reference in designated folder.

42. AP preparer generates APV Listing Report.
     Note: APV listing report shows APVs by pay group and due date.

43. AP preparer checks whether all AP transactions are validated in ERP.

44. AP preparer reviews the result from step #43 to determine whether all AP transactions are validated in ERP by the due date that will be submitted for payment:
     a. If all AP transactions are validated, proceed to step #45.
     b. If some AP transactions are invalidated, proceed back to step #28.

45. AP preparer separates hardcopy of Original Receipt/ Tax Invoice (including e-Tax Invoice) (if applicable) from the Receipt or Receipt/ Tax Invoice, and files them in the tax invoice folder for VAT submission preparation.

46. AP preparer files the hardcopy of WHT Certificate (if applicable) in the WHT folder for WHT submission preparation.

47. AP preparer files hardcopy of the following documents in the folder for reference:
     ▪ Receipt or Copy of Receipt/ Tax Invoice
     ▪ ACCP Form for Employee Reimbursement
     ▪ APV
     ▪ Copy of WHT Certificate (if any)

48. AP preparer handovers the folder of hard copy of the documents list in step #47, and sends email of APV Listing Report to TR team to proceed to the work procedure of AP-04-02 Transfer Payment.