

TUI Group Procurement: Supplier Travel Schedule

Scope of application TUI Group	Applicable to All Suppliers	Version 01	Valid from 01 June 2016
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Owner Group Procurement Director	Replaces n/a
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Record of revision

Version	Revised by	Applied changes	Date
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1. Purpose and Scope

- 1.1 The objective of this Supplier Travel Schedule (**Schedule**) is to facilitate the effective management and provide guidelines and procedures for Supplier's employees including third party resources, subcontractors, agents and similar under Supplier's control (**Supplier Personnel**) incurring business travel and accommodation expenses for any activities, tasks and/or services for TUI AG and any other branches, subsidiaries and affiliates of TUI AG (hereinafter jointly referred to as "**TUI**") where TUI is to reimburse the costs to the Supplier.
- 1.2 This Schedule is a reference guide to Supplier Personnel travellers and travel bookers on TUI's approach towards the cost-effective management of travel expenses and to set out the Supplier Personnel responsibilities in controlling and managing business travel-related expenses.
- 1.3 For the avoidance of doubt, reimbursement under this Schedule does not cover costs that are regularly incurred for Supplier Personnel to work at a base/home (Supplier or Customer) work location (e.g. regular commuting costs, housing, utilities etc.).
- 1.4 This Schedule may be amended from time to time by TUI and any amendments shall be made available to the Supplier as soon as is reasonably practicable thereafter.

2. TUI Responsibility

The relevant authorised TUI representative may assist Supplier Personnel travellers, travel organisers and travel authorisers in ensuring bookings are made within the terms of this Schedule.

3. Supplier's Responsibility

- 3.1 The Supplier will ensure that its Supplier Personnel comply with this Schedule when incurring expenses where TUI is to reimburse the costs to the Supplier or the Supplier Personnel.
- 3.2 The Supplier shall ensure that Supplier Personnel only incur travel costs where such travel is, in TUI's and the relevant Supplier's reasonable opinion, essential.
- 3.3 Before making a booking, the Supplier must ensure that the Supplier Personnel always consider the use of alternatives such as TelePresence, video, audio and web conferencing.
- 3.4 The Supplier will ensure that the Supplier Personnel seek to reduce cost and seek the best value for money when making business travel and accommodation arrangements by making bookings at least 14 days in advance of the first day of travel unless otherwise required and requested by TUI.
- 3.5 For all itineraries which include an overnight stay, where possible and airline schedules permitting, it is expected that all flights will be made after 5.00pm or on weekends unless TUI requires otherwise.
- 3.6 Any breach of this Schedule by the Supplier (including Supplier Personnel) may (at TUI's sole discretion) require the Supplier to reimburse TUI for any cost differential arising from such breach and shall also be liable for any tax incurred by TUI as a direct result of such breach.
- 3.7 Spouses, family members or other persons who are not Supplier Personnel are not permitted to travel at TUI's expense.
- 3.8 If any Supplier Personnel wishes to combine a business trip with a personal holiday, TUI's prior written approval must be obtained. Under no circumstances should the business portion of the trip be prejudiced by the personal travel.

3.9 TUI shall only be liable for the actual cost incurred by the Supplier Personnel for travel and accommodation expenses properly incurred under this Schedule and the Supplier shall not charge any uplift, administration fee or margin on the travel and accommodation expenses.

4. **Authorisation**

4.1 The Supplier will ensure that each Supplier Personnel obtain approval from TUI prior to making any travel or accommodation arrangements on the appropriate authorised travel forms or, in case such forms are not available, as a minimum in writing via Email. Such approval request will need to detail as a minimum: business reason for travel, name of traveller, travel route, date of travel and total costs. TUI may approve block booking for long term projects or group booking for groups of Supplier Personnel travelling together.

4.2 All travel expenses submitted must be accompanied by the appropriate documentation evidencing approvals by Supplier and TUI.

4.3 Any expense submitted by the Supplier without the appropriate written approval may not be reimbursed by TUI, save in the event that such expense was incurred in the case of emergency and the Supplier had used its best endeavours to obtain verbal approval from TUI prior to incurring such expense. For the avoidance of doubt, expenses incurred because of short-term and/or ad-hoc bookings as a result of improper planning horizons will not be considered emergency expenses.

5. **Travel Booking**

5.1 If TUI has established the facility for booking business travel and accommodation through TUI's preferred suppliers, then the Supplier shall use such facility, quoting the name of TUI's authorised signatory at the time of booking or, where agreed, use TUI's Travel Service representatives to make such bookings.

5.2 All other business travel and accommodation can be booked directly via the Supplier but shall be booked in accordance with this Schedule. When booking travel, Supplier must give preference to TUI Group members (airlines, hotels etc.), exceptions must be approved by TUI.

6. **Use of Public Transportation**

6.1 Where available and appropriate, Supplier Personnel are expected to make use of public transportation for business travel (e.g. trains, trams, busses and similar).

6.2 All Supplier Personnel must use 2nd class, economy class or equivalent cost-effective tickets for business travel.

6.3 Travel to and from a TUI office location, that originates at individual's residence, will only be reimbursed to the extent that the costs exceed that individual's standard travel cost to their standard Supplier office. In that instance, only the excess costs over their standard journey will be re-imbursed. In instances where this applies, details of the standard journey will be included in the report summary provided to TUI for expenses.

7. **Air Travel**

7.1 Air travel should only be used when no practical and/or cost effective alternative is available. The Supplier and Supplier Personnel should accept the lowest appropriate fare taking advantage of any promotional or restricted fares offered and Supplier Personnel must demonstrate flexibility when selecting travel times as far as reasonably practicable.

7.2 All air travel involving longhaul flights should be booked not less than 21 days in advance unless TUI requires flights to be booked on shorter term notice.

7.3 Supplier Personnel are required to fly economy class for business travel.

7.4 Supplier Personnel are required to accept the lowest reasonable alternative fare offered.

8. **Cars and Taxis**

8.1 If business travel by car is required, Supplier Personnel may use taxis or rental cars or private cars where public transport is not available or inappropriate. Before hiring a taxi or rental car the Supplier shall confirm whether a TUI preferred supplier should be used.

8.2 If Supplier Personnel use taxis or rental cars or private cars despite reasonable public transportation being available, expense reimbursement will be limited to the cost for public transport for an equivalent journey.

8.3 If Supplier Personnel use private cars, expense reimbursement will be limited to the country authorities defined regular reimbursement amount per kilometre (or EUR 0.30 per kilometre if not defined).

9. **Hotel Accommodation**

9.1 Where Supplier Personnel are required to stay away overnight in the performance of their services TUI will cover the reasonable cost of overnight accommodation. This will be limited to the cost of a standard single occupancy room for the minimum nights necessary to perform the relevant services.

9.2 Every attempt should be made to use the lowest logical cost accommodation available, whether this be at the Supplier organisation's rate or TUI's negotiated rate.

9.3 5 star hotels may not be used save where no reasonable alternatives exist.

Extended stay

9.4 Supplier Personnel are expected to arrange better rates when on an extended stay (e.g. more than one week) or securing accommodation in rented apartments. This should be judged on a case-by-case basis.

Hotel costs

9.5 Only the actual hotel room costs incurred will be reimbursed.

9.6 Any additional expenses (e.g. movies, mini-bar, laundry or telephone calls) must be deducted from the hotel invoices, expenses for meals will only be reimbursed in accordance with local practices (incl. local laws, TUI local policies etc.) and only in case no meal subsidy is agreed otherwise. Exceptions must be approved by TUI.

9.7 The Supplier will ensure that all accommodation costs are reviewed by the Supplier Personnel at the time of checking out to ensure accuracy of the charges.

9.8 Supplier Personnel must settle hotel bills on departure using their own means of payment.

Private accommodation

9.9 If Supplier Personnel stays with friends or relatives overnight, the one-off actual costs up to a maximum per stay of EUR 40 (or equivalent in local currency) for a gift can be reimbursed.

10. **Meeting and Training Venues**

The Supplier is not authorised to seek reimbursement from TUI for costs incurred with the use of external venues for meetings or training save where such use is at the request of and with the approval of TUI.

11. **Administrative Requirements**

11.1 If required to submit expenses Supplier Personnel shall process and administer expense claims in the Supplier's own expense systems prior to any submission to TUI.

11.2 The Supplier will conduct its own internal review and approval process of Supplier Personnel's expense claims in accordance with this Schedule and its own review and approval processes, prior to submission of a consolidated expense claim and invoice to TUI.

11.3 Expenses can only be submitted with sufficient proof, i.e. original documentation as appropriate of:

- (a) Documents issued by the service provider;
- (b) Receipts;
- (c) Receipted invoices;
- (d) Cash register receipt;
- (e) Travel expense receipts.

11.4 Credit card, debit card receipts and any other documentation that only confirms the mode of payment, but does not include further details such as actual product or service purchased, provider name, tax amounts and similar, are not acceptable proof of expenses incurred.

11.5 The Supplier will be responsible for the accuracy and completeness of travel and accommodation expense claims in relation to its Supplier Personnel and for ensuring that all such claims are signed and submitted by the Supplier within 30 days to TUI after completion of the travel to which the claim relates.

11.6 The consolidated expense invoice will be accompanied by a detailed summary sheet listing the monthly expenses by individual along with supporting analysis. Payment of travel and accommodation expenses is subject to the Supplier providing all the required authorised forms and receipts for all travel and accommodation costs for which reimbursement is sought.

11.7 TUI shall not be required to pay expenses that are submitted more than 30 days after travel completion.

11.8 Expense invoices will be paid in accordance with the payment terms agreed between TUI and the Supplier.

12. **Visa, Work Permits and Pre-Travel Authorisation**

12.1 If the Supplier Personnel are required to work in a territory that requires a visa and/or work permit, the provision of pre-travel information or any relevant approvals and/or documentation prior to or during any travel by its personnel, the Supplier shall:

- (a) ensure all relevant approvals, visas, work permits, pre-travel information and relevant authorisation documentation are obtained or submitted in accordance with the required procedure laid down by the relevant authority; and
- (b) be responsible for the costs of obtaining any relevant approvals, visas, work permits and relevant authorisation; and
- (c) be liable for any costs incurred in not obtaining the relevant approvals, visas, work permits and relevant authorisation documentation prior to travel including, but not limited to, cancellation fees, travel agent administration fees, rebooking fees, reapplying for the relevant approvals, visas, work permits etc and the reimbursement of any costs incurred by TUI as a result of the Supplier failing to obtain the appropriate approvals.

13. **Insurance**

The Supplier shall ensure that all Supplier Personnel are covered by the appropriate level of travel and medical insurance for all business travel.

14. **Loyalty Programmes**

The membership of loyalty programmes by Supplier Personnel shall not influence the booking or travel behaviour, regardless of whether this applies to air fares, hotels, trains, rental cars, or any other form of travel.