

# Business Travel-Policy

## Scope and Subject Matter

The current business travel policy applies to all domestic and international business trips by employees of the company family.

The business travel policy regulates the type and class of means of transport to be used (company vehicle, private vehicle, train, plane, etc.), the preferred airlines and hotels or hotel chains to be booked, the process of planning and booking business trips and entitlements to daily allowances, Overnight allowances and kilometer allowances.

## Application for and Approval of Business Trips

Approval must be obtained for all domestic and international business trips prior to departure. The employee must submit the application for a business trip to the supervisor responsible in good time before the start of the trip.

Before ordering or approving a business trip, the supervisor responsible must check whether it is necessary. The duration of the business trip, the means of transport to be used, the travel route and the accommodation must be specified as part of the order or approval. As far as this is possible and reasonable considering the purpose of the trip, the most cost- and time-saving travel option should be chosen.

Business trips must be planned and organized in coordination with the InnoFly Management (IFM) office team.

## Public Transport (plane, train, subway, tram, bus)

The principle applies that the most economical (time and cost-saving) means of transport is to be used, taking into account environmental protection (if reasonable; in this context, reference is also made to the guiding principles for environmental protection of our company family (listed in the Code of Business Conduct)). Exceptions to this principle require the approval of the supervisor.

As a rule, the tickets required for the trip are booked by the IFM office team and provided to the employee.

**Air travel** is booked by the IFM office team in economy class. In justified individual cases, the costs of absolutely necessary excess baggage can be borne by the employer. Bookings in Business Class are only permitted in special and justified exceptional cases. If, in exceptional cases, bookings are not made via the office department, the employee must enclose the flight tickets with the travel expense report.

Personal credits (incl. mileage credits) are used for future necessary business trips. Any advantage from the private use of a credit from frequent flyer programs (e.g. "Miles & More") is to be taxed by the employee himself in accordance with the applicable tax law provisions.

In the case of **train travel**, the actual travel costs for 2nd class will be reimbursed (exceptions are permitted with the prior approval of the management). If possible, the ticket must be booked and paid for directly by the IFM office team before the trip.

**Use of Taxis.** If the use of public transport is not reasonable, a taxi may be used for business trips (e.g. trips to/from the airport at certain times). An original receipt (taxi bill) must be presented for reimbursement of the taxi costs.

**Settlement of Travel-Related Costs for Members of the Management Board.** If travel-related costs were borne by the members of the management themselves (travel costs: flight costs, train costs, taxi costs, other travel costs with the exception of kilometer allowance; meals and hospitality costs, other travel-related costs), the IFM office Team includes these travel-related costs in an expense report and refunds them afterwards.

### **Company Vehicle**

Those employees who have a company car are obliged to use alternative transport options (e.g. train or taxi) in those cases in which the use of the company car would be uneconomical due to high parking fees (e.g. parking the vehicle at the airport in the case of a multi-day business trip abroad). If, contrary to this principle, the employee uses the company vehicle, he must bear the parking fees incurred as a result.

### **Private Motor Vehicles and Kilometer Allowance**

The use of a private vehicle for business trips (both in the course of a business trip and on other work-related business trips) requires the express order and approval of the respective supervisor (for business trips: in the travel application).<sup>1</sup> A permit that is granted always relates only to the business trip requested in each case.

In the event of the necessary and expressly approved official use of the private vehicle, the employee will be paid the official kilometer allowance (current amount [here](#)) to cover the expenses incurred through the maintenance and use of the vehicle.

There are no claims against the employer beyond the granting of the above kilometer allowance and the other payments accruing to the employee. Any damage resulting from the use of the private motor vehicle within the scope of official use is deemed to have been compensated by the payment of the reimbursement of expenses.<sup>2</sup>

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<sup>1</sup> The supervisor only grants the approval under the condition that the use of the private vehicle represents the most economical means of transport in terms of cost and time economy.

<sup>2</sup> A prerequisite for the payment of the kilometer allowance is that the employee records all business trips without gaps. In doing so, he must record the data required for the recognition under tax law (in particular: license plate number of the vehicle used, date/time of departure and arrival, route and purpose of the journey, kilometer on departure and arrival) and these records to the employer after the end of the business trip without being asked.

The kilometer allowance represents compensation for all expenses and costs incurred through the operation of the motor vehicle; these are in particular the proportional acquisition costs (deduction for wear and tear), fuel, oil, service costs, repair costs due to ongoing operation, additional equipment (winter tires, navigation device, etc.), taxes and fees, insurance (including liability, fully comprehensive, passenger accident and legal expenses insurance). ), membership fees for motorist clubs, financing costs, parking fees, toll fees, motorway vignettes.

Parking fees are generally not reimbursed in addition to the kilometer allowance. If, in individual cases, a separate replacement is nevertheless made, this is to be treated as a taxable, worthwhile advantage for which social security and wage tax are incurred.

The kilometer allowance is taken into account and paid out in the course of payroll accounting.

## Daily Allowances and Accommodation Costs

To cover the additional personal expenses associated with the business trip, the employee on business trip receives a travel expense allowance for each full calendar day. It consists of the daily allowance and the accommodation allowance.

(The following agreements do not apply to members of the management)

<b>Collective Agreement (Kollektivvertrag)</b>
Billable business trip = if the employee leaves his place of work to carry out official orders. Place of employment <u>Vienna</u> = municipal area of the federal state of Vienna (these are the districts 1 to 23) Place of work <u>Linz</u> = radius of 12 km from the business premises in Linz
<b>Daily Allowance</b>
The daily allowance is used to cover additional expenses for meals and all personal expenses associated with the business trip, including tips for personal service.
<b>Domestic Trip</b>
The amount depends on the current, applicable collective agreement ("KV").
<b>Foreign Travel</b>
For business trips abroad: The daily allowance is due for the duration of the stay abroad, which begins or ends with the border crossing. In the case of cross-border air travel, the stay abroad begins with departure and ends with arrival at the domestic airport. For business trips abroad, the rates according to the currently applicable collective agreement and the EStG are to be used. <sup>3</sup>

<b>Accommodation Costs / Accommodation Allowance</b>
If the employer does not allow for the overnight stay in an appropriate manner, an overnight stay allowance is due in accordance with the current KV.

The accommodation allowance also does not apply if the employer bears the full accommodation costs. The employer bears the accommodation costs for ordered business trips for hotels up to a maximum of 4-star category, including breakfast. Any additional costs will not be refunded by the employer.

Unless the collective agreement contains other mandatory regulations, the following applies: Passive travel times that lie outside normal working hours are compensated at the normal hourly rate (based on the basic salary or basic wage without allowances and supplements).

The payment and consideration of any allowances for business trips requires a timely application by the employee.

It is stated that the employee's travel times are also remunerated with the remuneration according to the employment agreement.

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<sup>3</sup> In the case of a mixed domestic and international business trip, the domestic daily allowance rate is to be used for the total travel time minus the travel times recorded by the foreign travel rates. If a stay abroad is less than 3 hours, but the total trip (domestic and international business trip) is more than 3 hours, the daily domestic allowance is due for the total duration of the trip.

## **Hospitality Expenses<sup>4</sup>**

If customers and/or other business partners are invited to eat during business trips, the food costs incurred must always be covered by a comprehensible business interest. When choosing the location, the commercial importance of the customer or business partner and the local customs must be taken into account.

## **Travel-Related Invoices**

All travel-related invoices over an amount of EUR 400 must be made out to the respective company, otherwise the invoice cannot be accepted for reimbursement.

The following applies in particular to **hotel bills and accommodation costs**:

- Accommodation in guesthouses or hotels is generally booked in advance by the IFM office team.
- If the pension or hotel costs are to be paid on site, the employee/management will receive the actual accommodation costs, if proportionate, in the course of the travel statement upon presentation of the original accommodation receipt (pension or hotel bill).
- The employee must ensure that the company (name and address) is listed as the invoice recipient in the pension or hotel bill and that a reference to the employee/managing director staying the night is included. Should it happen that the invoice is not made out to the respective company, then the invoice must at least be made out to the person traveling.
- When the invoice is issued on the day of departure, the employee/management is obliged to check the billing address or have it corrected. (It is recommended to hand over a business card to the hotel or guesthouse on the day of arrival so that it can be issued with the correct billing address).

## **Travel Advances**

Travel expense advances can be granted in individual cases at the request of the employee.

## **Education, Further Training, Advanced Training**

In the case of attending training, further education or advanced training events, the employee is not entitled to a daily allowance if sufficient meals are provided by the employer during the event.<sup>5</sup>

## **Travel Expense**

Immediately after returning from the business trip, but no later than the 5th of the following month, the employee is obliged to submit his travel expense report to the IFM using the specified forms or IT applications, stating the required data (in particular departure and arrival times) and enclosing the original receipts - Submit to office team for review.<sup>6</sup>

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<sup>4</sup> In order for hospitality receipts to be reimbursed by the employer, they must meet the following requirements for tax recognition:

- There must be a pre-tax invoice with a detailed listing of the food and drinks consumed.
- The names of all hospitality participants must be recorded.
- A specific reference to business transactions (order initiation), existing business relationships, projects, etc. must be specified.
- Tips on the occasion of hospitality must be expressly noted on the bill and must be kept within reasonable limits. Tips may be granted for invoice amounts up to € 250.00 up to a maximum of 10% of the invoice amount, for higher invoice amounts up to a maximum of 5%.
- All expenses for hospitality are to be limited to a reasonable amount and frequency. In the case of manifestly unreasonably high expenses, the employer is entitled to limit the reimbursement of costs to a reasonable extent.

<sup>5</sup> Adequate catering is usually provided for one-day all-day events if lunch and a small meal are available in the morning and afternoon. If it is not possible to return home until after 8:00 p.m. or if it is an event lasting several days (with no possibility of returning home in the evening), sufficient catering is usually provided if dinner is also offered.

<sup>6</sup> In the case of business trips abroad, the employee must also state the times of the border crossing for the outward and departure (or departure and arrival at the domestic airport).

The payment of the invoiced travel expenses is generally made in the month following the return from the business trip together with the current salary.

### **Business Trips Abroad**

For assignments abroad within the EU, the EEA and Switzerland, you must first obtain an A1 certificate (“A1 Bescheinigung”) from the social security agency.

The purpose of the A1 certificate is to certify that you will continue to be socially insured in Austria when you work abroad in Europe. This avoids having to pay social security contributions abroad for postings or business trips.<sup>7</sup>

The operational process for all business stays (business trips, etc.) in other European countries is now implemented as follows:

- Please apply for an A1 certificate to be issued as soon as possible before the start of the assignment abroad (no later than 7 days before departure). For this purpose, please fill out the form (“Auslandssatz\_Formular”) for each foreign assignment and send it directly to: [office@innofly.at](mailto:office@innofly.at).
- The A1 certificate will be sent to you by email after approval by the health insurance company.
- Please make sure that you always carry the certificate with you during the foreign assignment.

### **Forfeiture of Entitlements from Business Trips**

Claims from business trips must be asserted within a period of 6 weeks from the end of the business trip by properly accounting for the business trip and submitting all receipts, unless there are any mandatory provisions of the collective agreement to the contrary. The expiry period is calculated from the time of return from the business trip.

If you have any further questions, the IFM office team ([office@innofly.at](mailto:office@innofly.at)) will be happy to help.

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<sup>7</sup> Note: You must carry the A1 certificate with you for all foreign assignments in EU, EEA countries and Switzerland (even for short business trips!) in order to be able to prove to foreign authorities that you are already socially insured in Austria.

According to current information, official controls will increase significantly in the future. Every meeting and every short workshop abroad can be controlled. If there is no A1 certificate, fines of a substantial amount may be due (fines of up to EUR 20,000 are planned depending on the country of assignment).