

**TRAVEL POLICY
EXPENSE APPROVAL POLICIES AND PROCEDURES
PwC CHINA & HONG KONG**

A. TRAVEL APPROVAL

- A.1 All requests of business travel booking must be completed in the Travel Request Form ("TRF") in vTravel in [Janus](#) .
- A.2 Pre-trip approval is required for all travel bookings whether charged to the Firm or Clients. The Firm's designated Travel Management Company ("TMC") will decline the request to issue air-ticket without the required approval(s). Reason of travel must be stated clearly for travel costs charged to the Firm.
- A.3 The approval logic in TRF is set to coincide the approval limits dated 1 May 2018.

The approval hierarchy is summarized as below:

Chief Financial Officer (CFO) or CFO's Appointee
LoS Leaders
Office/Regional/Sub-LoS Leaders
OU/BU/Sector Leaders
LoS Partners /FCS Directors OU Leaders
LoS Directors

- A.4 All travelers shall not approve their own TRFs that approval from Partner-in-charge or immediate supervisory partner is required. TRF submitted for MB or EB members require approval from CFO. Chairman's approval is required for TRF submitted for CFO.
- A.5 Additional approvals are required for any non-compliance travel request such as upgrade of travel class for example: Economy class to Premium Economy/ Business/ First class, hotel category or use of hotel with room rate higher than the lowest available rate, the issuance of one-way international ticket etc.

Please refer to Clause A.7 below on the policy to issue one-way international air-ticket.

In addition, approval by OU/ Regional/LoS leaders and CFO is required on top of travel budget approval if your travel request contained non-compliance travel options.

Please refer to the Supplementary Note #4 attached for further details.

- A.6 For International business trip bookings, all flight bookings including round trip long haul and side trips must be submitted in one TRF for the approver(s)' understanding on the full itineraries and approval. It is a violent of travel policy to split the flight bookings of the same business trip in one journey into different TRFs for approval, and all TMCs has been instructed to reject to issue the air-tickets with this kind of TRF submission.

- A.7 Supervisory partner of the 1st approver is required to be selected in the TRF to approve the issuance of one-way international ticket prior to ticket issued. The supervisory partner email approval will only be accepted under urgent cases, not a priority choice.
- A.8 Partners and staff who intend to make international business travel or conduct overseas work in conjunction with leisure trip and spend more than 10 workdays in total outside of Mainland China or Hong Kong should attach written pre-approval from LoS/Functional Leader and the CFO in the TRF. Travel agents are instructed not to issue air-tickets without the said approval.
- A.9 Deputy Manager (DM) and above are authorized to approve TRF according to the approval limits dated 1 May 2018. **Please refer to Clause A.14 below.**
- All staff can be selected as Reviewer of the TRF if required.
- A.10 The tier approval procedure is sequential, i.e., the 2nd approver won't be able to approve the TRF before the 1st approver has approved.
- A.11 If arranging travel booking for a group of partners and staff travelling on the same itinerary, the travel arranger / secretary must consolidate all the flight bookings in one TRF and follow the approval process of the highest grade of the traveler in the group to select the appropriate approver(s).
- A.12 Once the TRF is fully approved, re-approval is required under the following scenario:
- Change of charge code
 - Change of traveler
 - Change of routing
 - Change of hotel location
 - An increase in Air Ticket or Hotel or Car Transfer exceed the amount or % listed below:

		Directors and below	Partners
		RMB/HKD	RMB/HKD
Air-Ticket	Domestic (within Mainland China)	500	1,000
	Domestic (Between China, HK, Macao & Taiwan)	1,000	3,000
	International	1,000	
Hotel	Domestic & International	20%	
Car Transfer	Domestic & International		

- A.13 For attending a training course organised by L&D, please refer to L&D joining instructions or "[Expense reimbursement and charge](#)" policy for guidance.

A.14 Approval Limits

Approval Limits		Effective from 1 May 2018	
Amounts in RMB for Mainland China and HK\$ for Hong Kong			
All Direct Firm Purchases and Expense Claims			
Approval Limit (RMB or HK\$)			
Approver Level	Approver Type	Non-billable Expenses	Billable Expenses (EB & IB)
Firm Finance Partner	Partner level	Over 50,000	
LOS leaders	Partner level	Up to 50,000	
Office/Regional/Sub-LOS leaders	Partner level	Up to 40,000	
OU/BU/Sector leaders	Partner level	Up to 30,000	
Partner	Partner level	Up to 20,000	
Director	FCS OU leader role	Up to 30,000	
	All other Directors	Up to 10,000	
AD/SM/M/DM	Practice support	Up to 1,000	vTravel(*): Up to 5,000
	Client service	No approval rights	Others: Up to 2,000

Principle

The approval limits listed above are referred to the total amount of any one expense claim or cash advance request in vExpense or TRF of vTravel.

Approval Hierarchy:

- 1) No person should approve their own TRF or expense claim.
- 2) TRF or Expense claim from all MB & EM members requires approval from the CFO. A BOP partner's approval is required for TRF and expense claim from CFO.
- 3) TRF and expense claim from Partners shall obtain approval from the partners' immediate supervisory partner (OU/BU/Sector/Office/Regional/Sub-LOS/LOS leader).
- 4) Director's TRF and expense claims shall be approved by Directors who are FCS OU leaders and/or supervising partner.
- 5) TRF and expense claims by AD/SM/M/DMs must be approved by Directors and/or Partners. AD/SM/M/DMs should not approve TRF or expense claims by other AD/SM/M/DMs.
- 6) TRF and expense claims by staff below DM may be approved by AD/SM/M/DMs, Directors and Partners.

Special Approval required for Away Day and Group Activities:

ALL LoS Away Days, group functions or group meetings (regardless of the event size or amount of the expense), must be pre-approved by the respective LoS leaders AND the CFO.

B. TRANSPORTATION / HOTEL ACCOMMODATION / AIRPORT TRANSFER

B.1 Transportation – Air / Train

B.1.1 Travel Policy - Air

Partners

- Economy class
 - 1) Domestic travel in Mainland China includes travel to Hong Kong, Macau and Taiwan
 - 2) All International flights less than 4 hours flying time (*)
- Business class
 - 1) All International flights over 4 hours flying time (*)
- No First-Class travel on any route

Directors and below

- Economy Class

(*) Please refer to Supplementary Note #1 - #3 attached for further details.

B.1.2 Travel Policy – Train

Partners / Directors

- First class seat (一等座) or equivalent

Associate Directors and below

- 2nd class seat (二等座) or equivalent
- 1st class seat (一等座) for direct travel between below routes:
 - Beijing 北京 <-> Changchun 长春
 - Beijing 北京 <-> Changsha 长沙
 - Beijing 北京 <-> Dalian 大连
 - Beijing 北京 <-> Hangzhou 杭州
 - Beijing 北京 <-> Qingdao 青岛
 - Beijing 北京 <-> Shanghai 上海
 - Beijing 北京 <-> Wuhan 武汉
 - Beijing 北京 <-> Xian 西安
 - Shanghai 上海 <-> Changsha 长沙
 - Shanghai 上海 <-> Tianjin 天津
 - Shanghai 上海 <-> Qingdao 青岛
 - Shanghai 上海 <-> Wuhan 武汉
 - Shanghai 上海 <-> Xiamen 厦门
 - Shanghai 上海 <-> Xian 西安
 - Shanghai 上海 <-> Zhengzhou 郑州

B.1.3 Booking Procedure

- i. All business trips must be booked with the Firm's preferred Travel Management Companies ("TMCs") listed below and all travel booking details must be inputted in the Travel Request Form ("TRF") in vTravel for pre-trip approval(s):

China

CITS American Express GBT (CITS Amex)

Ctrip

Hong Kong

Corporate Travel Management (CTM)

Travelux

- ii. You are requested to use the lowest available fare in +/- 2 hours if lowest fare is not available in your desired departure time. TMCs are instructed to provide at least 2 lowest fares for selection at the time of booking.

If higher fare is selected for your travel, a valid business reason must be provided in the 'Remarks' of TRF which serves as a note to the approver why you are failed to comply with the policy. TMCs will not issue your tickets unless full approval received from the Approver(s) with a clearance from local travel team (when applicable) whether 2nd supervisory partner approval is needed.

Please refer to Supplementary Note #7 for further details.

- iii. Any request of business travel booking and/or payment with non-preferred TMCs will not be processed by Travel Team and/or Finance.

B.1.4 Payments

China

All travel bookings processed by CITS Amex and Ctrip are paid centrally by CN Finance.

Hong Kong

All travel bookings processed by Travelux and CTM are paid centrally by the American Express Business Travel Account ('BTA').

Approved TRFs must be submitted to process payment. Claims or request for payments to non-preferred TMCs will not be handled.

You should not request personal settlement on any air-tickets booking for business trip via our TMCs, that such personal payments will not be reimbursed by Finance.

For train tickets purchase, it has been a common practice of travellers to purchase tickets on their own and claim via vExpense with the hardcopy of train ticket and official receipt after return from trip.

B.1.5 Charge Code

Charge code must be correctly inputted in the TRF for Finance to bill the travel expenses to a client or the Firm. TRF cannot be submitted without input of Charge Code and will result in delay of travel booking or issuance of air-tickets. Please check with your Group Administrator or Finance if you have any question on Charge Code, particularly travel for a new client.

Examples on the input of charge code as below.

Charge to HK client e.g. Jardine
HK Power Code 02010372 + HK job code A040

Charge to CN client e.g. China Mobile
China Power Code 06063333 + China job code R102

Charge to HK Firm (Firm's Expense)
For Business trips – HK Account code 884000 (Client related) + (OU/division) code 101 (CIP) + reason of trip e.g. Client Meeting

For Training – HK Account code 752020 (Training not organised by PwC HK)
+ OU/division code

Charge to China Firm (Firm's Expense)
This is more for Partners who have management responsibilities for both China/HK and the costs incurred in China should be booked in China. E.g. Assurance Partners meeting, specify that this be booked to Assurance in China and advise China finance about this via YMO

Charge to L&D course e.g. Digital Upskilling Training
CNHK I-Power Code 00977434 + job code L570

B.2 Accommodation

B.2.1 Hotel Policy

- i. Lowest available rate shall be booked with hotels in the CNHK Preferred Hotels Program according to the respective staff grade.
- ii. Lowest available rate shall also be used for hotel booking for clients, visitors or consultants with hotel costs paid by the Firm.
- iii. Accommodation shall be arranged in single or double occupancy with hotels according to the respective staff grade and the budget of the job. Staff may request to upgrade to a higher hotel category on a twin sharing basis, provided the new room rate does not exceed the total room rate of the sharing staff's allocated hotel category.
- iv. When attending L&D training course or travel on a client job with tight budget, twin sharing room may be arranged.
- v. Supervisory Partner approval is required for all staff requesting to stay at hotel with higher rate; LoS Leader or CFO approval is required for any upgrade of hotel category.

Please refer to A.5 above for non-compliance travel requests on upgrade of hotel category.

B.2.2 Preferred Hotel Program

- i. The hotels in the Preferred Program are being selected with location in proximity to local PwC offices with negotiated competitive Corporate Rate available on an annual basis (apart from the black out period specified by respective hotel). All hotel bookings are to be centralized in those preferred hotels to maximize room production for better bargaining power.
- ii. PwC Corporate Rate is also being negotiated with other frequently used hotels by overseas travelers in other locations of the city.
- iii. For hotel booking in China and Hong Kong, you are required to stay in the Firm's preferred hotels whenever available. List of preferred hotels can be found in the vTravel in [Janus](#).

For overseas hotel booking, you are encouraged to book with hotels with PwC corporate rate negotiated by Travel Team of each territory.

Please click here to access the CNHK Preferred [Hotel](#) list and [Global Hotel Directory](#).

B.2.3 Global Preferred Hotel Chain

Marriott Hotel Chain is the largest global hotel chain, and it is being selected as the PwC Global Preferred Hotel Chain with corporate rate available in many hotel properties in major cities around the world. It is highly recommended of you to look for these hotels especially where a local preferred hotel program is not available. A chainwide discount of 20% will be offered by some of the Marriott hotels if a PwC corporate rate is not available.

Link to the Marriott Hotels website: <http://www.marriott.com/marriott-hotels-resorts/travel.mi>

B.2.4 Booking Procedure

- i. Booking of hotel accommodation in China and Hong Kong must be processed by the Firm's TMCs or local Travel Team whenever possible, to make sure lowest available room rate is booked with the hotel in the Preferred Program according to the respective staff grade.
- ii. Room rate is based on room only, excludes breakfast, airport transfer and other incidental charges, unless specified.
- iii. For hotel booking in China cities or overseas where no PwC Preferred Hotel Program is available, please seek assistance from the Firm's TMCs, local travel team or your client to recommend hotels in safe location with good rate.

B.2.5 Hotel Payments

- i. Central payment has been arranged to settle the room charges with some of the preferred hotels in China cities where PwC offices are located. Room booking must be made via local Travel team for central payment arrangement.
- ii. Upon check out, you are required to check and sign the hotel bill to confirm the amount being charged is correct for central payment. You are required to settle any incidental expenses upon check out.
- iii. Travel team will verify the monthly statement sent by hotel with the central booking record before making payment.
- iv. Personal payment will not be reimbursed on bills of hotels with PwC central payment arrangement.
- v. Other payments of hotel bill will be reimbursed by Finance in vExpense with supporting document such as official hotel bills/receipts subject to guideline set by respective LoS, if any.
- vi. Guidelines of Hotel Room Rates (excluding services charge and tax).
Please refer to Supplementary Note #9.

B.3 Airport Transfer

Policy

- i. You are requested to choose the safe and economic way to travel to and from the airport such as the airport train, airport bus, whatever applicable.
- ii. You are recommended to take taxi between home/office/hotel and the nearest train station to take the airport train.
- iii. If you are taking flight with departure time on or before 09:00 or arrival time on or after 21:00, full taxi fare to and from airport will be reimbursed with official receipts.
- iv. Hotel airport limousine service should not be used unless with a valid business reason. Pre-approval from supervisory partner of the 1st approver is required before booking.

China

- i. Local car rental providers are engaged for the airport transfer arrangement. Shared transportation will be arranged for Managers and above arrived on the same flight with destination in proximity. Maximum 3 persons will share a sedan car and 5 persons a coaster or MPV, whichever available by the rental car provider.
- ii. If you request a rental car for day use such as travelling between hotel or office to the client's office, 2nd approval is required, and Charge code of the rental expenses is to be provided.

As it is a priority to arrange airport transfer for visiting partners and managers that request of arranging rental car for day use is subject to availability.

You are recommended to use local taxi which is a convenient and economic means of transportation in China.

- iii. You must update the Travel Team as soon as you know there is a need to change the flight schedule to allow enough time to reallocate the pick-up arrangement. You may require arranging own transportation if the car provider not able to rearrange the airport pick-up due to delay of notice.

Hong Kong

- i. Airport Express Line (AEL) is the fastest and economic means of transportation to the city. Taxi is available in major AEL stations to hotels located in HK Island and Kowloon.
- ii. The Firm will reimburse the cost of AEL and taxi connection to nearest AEL station.

Overseas

Please always look for the safest, convenient, and cost-effective means of transportation to and from the Airport. Use your judgment to select the safe way to travel when making the choice of transportation.

C. Travel Security

- i. During emergency situations, such as air accidents, riot, terrorist attack, earthquakes, or sudden outbreak of pandemic etc., Travel team will work with the preferred TMCs in the first instance to locate and contact our travellers.

In addition, International SOS (ISOS) will also assist to provide any necessary assistance to our travelers such as medical aids, evacuation, etc. when required.

- ii. Therefore, it is important for you to leave contact details such as mobile phone number AND email address with your designated TMCs and provide the TMCs an update promptly if there is a change of your travel itinerary, to make sure you can be contacted immediately when assistance is needed.

If your travel booking is arranged by a client, please provide your full itinerary, hotel information and contact details to the local Travel Team so that assistance can be provided when needed. In addition, you could register the trip details via Share Point on [TravelReady](#):

- iii. If you travel to High and Extreme Risk regions or Unassigned Territories, pre-approval from Compliance Office is required before making any flight booking. The Firm's travel agents will decline your booking request before getting the said approval.

For details, please refer to the policy and approval procedures in Pages 2-6 in the "Travel Security Guide" via App store in Janus.

Please email the Compliance Office cnhk.compliance.office@hk.pwc.com to get the appropriate approval or if you have any question.

Supplementary Note

1. China Domestic Travel - Economy Class travel applies to all business trip in China cities including Hong Kong, Macao, and Taiwan, regardless of travelling time and travel cost that charged to the Firm or client.
2. International Travel – Partners can opt to travel on Business Class on flights with flying time exceeds 4 hours (both directions). **If flying time of either one trip is less than 4 hours and the other trip is less than 4 hours 30 min, Economy Class shall be booked for the whole journey.** All segments of an international trip should be booked under one ticket and send in one TRF in vTravel for approval.
3. Indirect Flight Connection– If travelling to a destination without direct flight connection from the origin city, **travel class of all connecting flights should be booked following the 4 hours policy.** Any non-necessary stops are not allowed. Please contact the Travel Management Companies (“TMCs”) or local Travel Team for suggestion on the best route.
4. Non-compliance Travel Request – Additional approvals are required regardless budget amount and charge code.

For Partners, pre-approval from both LoS leader and CFO are required, if partners opt to pay for travel class upgrade, difference on upgradeable fare and lowest bookable fare shall be paid. The said 2nd approval is also required for any travel class upgrade e.g. Premium Economy.

For Director and below, pre-approval from BU/OU Leader and CFO are required.

5. Air-tickets purchased from non-Firm appointed TMCs will not be reimbursed in vExpense. Consideration may only be given **with proof of pre-trip approval (e.g. email, WeChat, Whatsapp, etc) from your Supervising Partner** or above **before ticket issued** with full TRF approval in vTravel after return from trip.

Hardcopies of all necessary documents such as official receipts **AND** the 2 approvals must be provided when submitting the vExpense claim.

Please refer to the Staff Handbook on vExpense claim for further details.

6. **Reimbursement** of travel class upgrade **without any pre-approval will not be processed**, no matter ticketing with the Firm’s appointed TMCs, at the airport or any booking channel.
7. All China domestic trips including trip to Hong Kong shall be booked via the Online Booking Tool (“OBT”) that AD/SM/M/DM can approve TRF in vTravel of up to RMB/HK\$5,000. **Trips to Macao, Taiwan and Overseas shall be booked off-line via the Firm’s appointed TMCs that Partners and Directors shall be selected as the first-tier approver.**
8. As there is limited inventory of lower fare air-tickets in each flight especially during peak travel time in the morning and those fares will be sold out closer to departure date, you are requested to arrange travel booking well in advance to secure the lower fare and maximise saving, though lower airfare

come with restrictions such as no change of air carrier or extra charge to change travel date or time once the air-ticket issued.

It is easier to secure lower fare if making booking at least 7-10 days in advance for short haul and 2 weeks for long haul trip before the departure date.

Examples: 1) For Economy class, a saving of HK\$1,760 can be achieved for a return air-tickets to Beijing on Cathay Pacific issued at the lowest fare code with restrictions or higher saving of HK\$2,000 if travel with Air China. 2) For Business Class, of a long-haul trip, higher saving can be achieved if able to secure lower booking code with certain restrictions when making the reservation earlier.

Try to avoid leaving trip booking to the last minute whenever possible.

You are suggested to use PwC Corporate Fare negotiated with the Firm's preferred airlines such as Cathay Pacific, China Eastern, Air China, etc on applicable routings only when the lower or lowest fare is not available. You are advised to select these airlines whenever your itinerary suits to consolidate the volume for a better bargaining power for contract renewal.

9. Guidelines of Preferred Hotels Room Rates (excluding service charge & tax)

China			Partner / Director	Manager & above	Below Manager
			Room Rate RMB		
First-tier cities	Beijing Shanghai Guangzhou Shenzhen	北京 上海 广州 深圳	1,400	900	550
Second-tier cities	Changchun Changsha Changzhou Chengdu Chongqing Dalian Dongguan Foshan Fuzhou Guiyang Haikou Hangzhou Harbin Hefei Huizhou Jiaxing Jinan Jinhua Kunming Lanzhou Nanchang Nanjing Nanning Nantong Ningbo Qingdao Quanzhou Shaoxing Shenyang Shijiazhuang Suzhou Taiyuan Taizhou Tianjin Urumqi Wenzhou Wuhan Wuxi Xiamen Xi'an Xuzhou Yantai Zhengzhou Zhongshan Zhuhai	长春 长沙 常州 成都 重庆 大连 东莞 佛山 福州 贵阳 海口 杭州 哈尔滨 合肥 惠州市 嘉兴 济南 金华 昆明 兰州 南昌 南京 南宁 南通 宁波 青岛 泉州 绍兴 沈阳 石家庄 苏州 太原 台州 天津 乌鲁木齐 温州 武汉 无锡 厦门 西安 徐州 烟台 郑州 中山 珠海	1,000	800	450
Other cities	Other cities	其他城市	700	400	300

Overseas	Currency	Partner/Director		Manager & above		Below Manager	
		Room Rate		Room Rate		Room Rate	
		From	Up to	From	Up to	From	Up to
Hong Kong	HKD	2,720	2,850	1,000	1,220	780	870
Jakarta	USD	200		167		126	
Kuala Lumpur	MYR	540		435	485	330	
London	GBP	204	293	190	240	169	179
Los Angeles	USD	470		211		167	
Manila	PHP	10,000		8,000		6,700	
New York (*)	USD	275	450	224	356	186	280
New York (#)		355	570	361	469	355	399
Seoul	KRW	250,000		225,000		130,000	
Singapore	SGD	388		316	348	255	290
Taipei	TWD	7,900	8,400	6,700		6,000	6,300
Tokyo	JPY	33,500	39,000	27,000	29,000	16,500	20,500

Remarks:

All quoted rates exclude local tax and service charge on single occupancy basis.

* - Low Season: Jan to Feb & Jul to Aug

- High Season: Mar to Jun & Sep to Dec