



## TRAVEL AND ENTERTAINMENT POLICY

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### APPLICATION

This is a policy of each of the following controlled operating subsidiaries of Telstra Corporation Limited (“**Telstra**”) that are within the Telstra International Group (“**TIG**”) business unit namely:

Telstra International HK Limited;

Telstra International Limited;

Telstra India Private Ltd;

Telstra Telecommunications Private Limited;

Reach Network India Pte Ltd;

PT Reach Network Services Indonesia Ltd;

Telstra Japan KK;

Telstra Services Korea Limited;

Telstra Malaysia SDN BHD;

Telstra Network Services NZ Ltd;

Telstra Philippines Inc;

Beijing Australia TTCS Co. Ltd;

Telstra (Thailand) Ltd;

Telstra Network (Thailand) Ltd;

Telstra Singapore Pte Ltd;

Telstra Limited;

Telstra Inc.,

and such other subsidiaries within TIG as may adopt this policy from time to time (each a “**TIG Subsidiary**”). It applies to employees and contractors of each TIG Subsidiary and to any other person who is notified that this policy applies to them.

Executive Directors (EDs) must gain the TIG President and GMD’s approval for all activity covered within this policy.



### Exceptions to the Travel and Entertainment Policy:

- the TIG President and GMD may authorise an exemption to this policy in relation to the permitted reasons for travel, class of travel and accommodation, only in exceptional circumstances
- this policy does not apply to the TIG President and GMD
- notwithstanding paragraph 15 of this policy, travel to New Zealand from Australia will be treated as domestic travel
- notwithstanding paragraph 15 of this policy, travel within the following regions by TIG Subsidiary staff, will be treated as domestic travel:
  - Asia, India, Middle East
  - North America, Canada, Mexico
  - United Kingdom, Europe, Republic of Ireland
- notwithstanding paragraph 12, the TIG President and GMD can approve Business Class travel within the above regions if there are compelling reasons why this is required.

### RELEVANT BUSINESS PRINCIPLE

TBP5 Telstra is committed to increasing shareholder value and protecting shareholder interests.

### PURPOSE

To ensure:

- Each TIG Subsidiary has appropriate corporate travel arrangements and guidelines for entertainment expenditure and expenditure on external conferences or offsites
- travel only occurs when face to face communication is absolutely necessary to achieve business outcomes
- the benefits of discount travel are maximised.

### POLICY

1. You may only travel, and management will only approve travel, where the travel is absolutely necessary to achieve business outcomes in a cost and time effective manner.
2. Alternative facilities such as video or teleconferencing must be used in circumstances where face to face communication is not absolutely necessary.
3. Permitted reasons for travel are as follows:
  - essential bids/account management/Government activities
  - emergency work
  - attendance at a conference
  - learning, development and training
  - people management and employee engagement.
4. Proposed travel for any of the above reasons requires the prior approval of the TIG President and GMD or the TIG President and GMD's delegate. In the case of



proposed travel by the delegate, prior approval of the TIG President and GMD is required.

5. If your proposed travel does not fit into any of the above categories, you must obtain the prior approval of the TIG President and GMD.
6. In order to book travel you must have obtained written approval by email in accordance with paragraphs 3 to 5 above.
7. All travel related expenses incurred on your American Express Corporate Travel & Entertainment Card must be approved in accordance with the TIG Delegations. Your 1-up manager will approve reasonable expenses incurred taking into consideration the duration and nature of the assignment and your personal circumstances, subject to clauses 17 and 18 of this policy.
8. All travel must be booked on a "Lowest Logical Fare" (refer Definitions) basis with Qantas where possible, unless there are sufficient reasons why this does not meet the business objective of the travel.
9. All travel and entertainment expenses, with the exception of petrol for hire vehicles and taxi fares, must be pre approved consistent with this policy.

### **Domestic Travel**

10. Domestic travel which involves air flights, overnight accommodation or car hire must be approved before you travel, consistent with clauses 3 to 6 above.
11. You must travel on an Economy Class Fare.
12. All travel must be carefully planned. Any change to booked travel arrangements which will incur a cost in excess of \$100 AUD must be pre-approved by the original approver.

### **International Travel**

13. All proposed international travel must be approved in line with paragraphs 3 to 6 above.
14. You must travel on an Economy Class fare, unless the journey, which is defined as "original departure time of aircraft to original scheduled arrival time at destination airport, including additional travel legs and transit time" is 9 hours or more, in which case you may choose to travel on a Business Class fare.
15. In exceptional circumstances the TIG President and GMD may approve your travelling on a business class fare where the journey is less than 9 hours.
16. All intra regional travel within the 3 regions as defined in the Application section of this policy, (e.g. Asia region, North America region & United Kingdom region) must be booked on an Economy Class fare unless separate approval is obtained from the TIG President and GMD for a Business Class fare. Unless otherwise approved, Intra regional travel may only be booked on a Business Class fare where it is a component



of the original fare is the most cost effective ticket and routing e.g. Round the world fare.

### **Domestic and International Expenses**

17. A domestic travel spend limit of up to \$75 AUD a day is provided to cover allowable expenses, such as meal charges and travel related incidentals. Where actual expenses exceed this guidance managers should approve on a case by case basis on receipt of appropriate evidence and justification. These expenses must be charged to your American Express Corporate Travel & Entertainment Card where possible and all receipts must be retained for a minimum of 12 months and produced on request.
18. International travel spend limits have been established for various destinations to cover allowable expenses, such as meals and incidentals. Refer to the Telstra Corporate Travel site to obtain these limits or contact TIG Legal if you cannot access the Telstra intranet. These expenses must be charged to your American Express Corporate Travel & Entertainment Card where possible and all receipts must be retained for a minimum of 12 months and produced on request.
19. If you are unable to use your American Express Corporate Travel & Entertainment Card, you must support your claims for reimbursement of any allowable expenses with a receipt.
20. You must comply with the Corporate Cards Company Policy and not use your American Express Corporate Travel & Entertainment Card for personal expenditure.

### **Spouse and Partner Travel**

21. Business related travel for your spouse or partner who you live with as a couple may be permitted only in exceptional circumstances. This must be approved in line with paragraphs 3 to 6 above.

### **Travel that is offered by External Parties**

22. If you are offered travel and it is proposed that the cost of the travel and/or accommodation be paid for by an external party e.g. to attend a conference, this must be managed and approved in line with TIG's Gifts, Prizes and Hospitality Policy.

### **Travel associated with Cross Company events**

23. There are major events recurring on an annual basis where it is appropriate that Telstra staff from various BUs and TIG Subsidiary staff attend. It is appropriate that attendance at these events is centrally managed. In these cases the budget owner for the event will approve and fund all attendance at that event. The events to which this applies and the nominated budget owners are as follows:
  - Mobile World Congress Barcelona – Chief Operations Officer, Telstra
  - Consumer Electronics Show – GMD TIPM, Telstra
  - Annual Board Meeting (overseas) – Telstra CEO Office
  - Sales Events – Chief Customer Officer, Telstra



24. If you believe you have a valid business reason to attend any of these events, or have been requested to attend, you should seek the in principle approval of the TIG President and GMD (other than in situations where the TIG President and GMD requires you to attend) and then seek the approval of the event budget owner as above.

### **International Travel associated with Recruitment**

25. Where travel from overseas to any TIG Subsidiary office (including return) is required as part of the recruitment process for a TET position, this travel requires CEO approval.
26. All other aspects of the travel, including class of travel, must be managed consistent with the provisions of this policy.

### **Entertainment expenditure**

27. Entertainment expenditure should be for business purposes only and in most cases will only be permitted when it involves attendees external to Telstra and any TIG Subsidiary. You must adopt a conservative approach to this expenditure. Entertainment involving only Telstra and/or TIG Subsidiary employees may be incurred in exceptional circumstances only.
28. Restaurant and other entertainment related expenses must be charged to the American Express Corporate Travel & Entertainment Card held by the most senior employee in the group, who must also seek prior approval as follows:
- for business related entertainment involving attendees external to Telstra and any TIG Subsidiary - prior approval from the relevant ED. In the case of an ED, prior approval of the TIG President and GMD is required
  - for entertainment of TIG Subsidiary or Telstra employees only (ie not attended by parties external to Telstra or any TIG Subsidiary) - prior approval from the TIG President and GMD, except for internal events such as Service Awards and other occasions to acknowledge special employee related achievements or significant events (such as farewells), which must be approved by your 1-up manager.
29. Bills must not be split or broken. You must record details of who was entertained, the name of their organisation and the purpose of the entertainment.
30. When travelling in countries where it is customary to tip, reimbursement of reasonable tips may be approved by your 1-up manager. Within Australia, tipping is only permitted in situations where this would be considered to be normal practice and must not exceed what would be considered to be a reasonable level.
31. All entertainment expenses incurred on your American Express Corporate Travel & Entertainment Card must be approved in accordance with the TIG Delegations.

### **External conferences or offsites**

32. You must obtain approval from the TIG President and GMD before you commit to use venues or facilities.



33. You must not stay overnight unless this is absolutely necessary or is the most cost and time effective arrangement. You must not stay over a weekend unless the business need for the trip takes place on the weekend.
34. You must submit a TIG travel application form for all accommodation and conference bookings before booking all accommodation and conference bookings. The preferred supplier lists must be adhered to and accommodation and conferences must be booked at the same time that the air component of the trip is booked. Direct bookings with hotels are not permitted.
35. Your booking must be made on a standard room rate. Bookings must not be made for 'Executive Floor' and 'Club Floor' room or equivalent rates.
36. All cancellations must be advised to the relevant travel agent as early as possible to avoid cancellation penalties.
37. Your attendance at an external training course, conference or seminar must be approved in accordance with the Telstra Discretionary Employee Related Expenditure Policy. If you cannot access this link, please contact TIG Legal for a copy of the policy.
38. Any associated travel and accommodation must be approved in accordance with this policy.

### **Gifts, Prizes and Hospitality**

39. When you are considering giving gifts, prizes or hospitality, you must consider the implications to ensure it cannot be reasonably considered a bribe, pay off or kick back, or be construed as being likely to improperly influence a business decision.
40. You must comply with the TIG Gifts, Prizes and Hospitality Policy if you are offered any gifts or hospitality while travelling.
41. Should there be a business need to provide gifts and/or prizes to an external party, (whether associated with travel or not) prior approval of the appropriate Executive Director is required.

### **Taxi/Rental car usage/airport parking**

42. You may use taxis for business travel, taking into account the cost effectiveness of taxi hire for each trip compared with using your own vehicle.
43. You must use a rental car instead of taxis, where it is cost effective. Include parking costs and tolls in cost estimates.
44. You may use airport car parking if this is cost effective as compared with estimated taxi costs.
45. Airport valet parking is not permitted.



- 46. You must not use private hire cars (a private hire car is a vehicle where the price is not determined via a metered fare but is a fixed amount based on distance).
- 47. Payment must be made by American Express Corporate Travel & Entertainment Card.

### **Travel Club or Lounge Membership**

- 48. Where you can demonstrate the need to use airline club facilities the TIG President and GMD may approve your membership, at the relevant TIG Subsidiary's expense, of the Qantas Club or other relevant travel club if you fly more than 12 times per year.

### **Frequent Flyer Membership**

- 49. You are responsible for all costs associated with joining an airline's Frequent Flyer scheme.
- 50. You may use the Frequent Flyer points and the benefits of membership accumulated by you through business travel for your personal use, but any associated tax liability accrues to you.
- 51. You may use your Frequent Flyer points to upgrade business travel bookings at your discretion. This must be done by you directly with the airline
- 52. You cannot accrue personal reward points via the American Express Corporate Travel & Entertainment Card.

### **Insurance**

- 53. You are covered by personal accident and travel insurance on authorised business domestic or international travel. Medical expenses are not covered for domestic travel.

### **Passports/Visas**

- 54. It is your responsibility to ensure that travel documents (passports/visas etc) are up to date or obtained where and when required.
- 55. The cost of visas required for approved travel will be reimbursed with the approval of your 1-up manager.

### **Private Travel**

- 56. If you are a member of the Telstra Executive Team (TET), you must register your private international travel with Telstra Corporate Security and Investigations using the travel notification form, so that Telstra can assist you in the event of an emergency.



## BREACH OF POLICY

If you do not comply with this policy, you may face disciplinary action. This disciplinary action may involve a verbal or written warning or, in serious cases, termination of your employment or engagement with a TIG Subsidiary.

If you break the law you may also be personally liable.

## DEFINITIONS

Term	Definition
GMD	Telstra International Group Group Managing Director
Lowest Logical fare	<p>For domestic and international travel refers to Qantas and is the lowest airfare available at the time of booking :</p> <ol style="list-style-type: none"> <li>1. in relation to domestic air travel: <ol style="list-style-type: none"> <li>a. with a departure and arrival time within 1 hour of the requested departure and arrival;</li> <li>b. on the most convenient/direct route;</li> <li>c. taking into consideration the traveller's objective and airline penalties and restrictions.</li> </ol> </li> <li>2. in relation to international air travel: <ol style="list-style-type: none"> <li>a. with a departure and arrival time within 5 hours either side of the requested departure and arrival times;</li> <li>b. on the most convenient/direct route;</li> <li>c. taking into consideration the traveller's objective and airline penalties and restrictions.</li> </ol> </li> </ol> <p>Note: for international travel where travel is to be flown in Business Class, the Lowest Logical Fare applies irrespective of whether the carrier has beds in the cabin or not.'</p>
Executive Director	All personnel included in Band B of the Telstra Executive Team and includes the Deputy Group General Counsel.
Contractor	Any person, company or other contracting party engaged to provide services to or on behalf of a TIG Subsidiary under a contract of services, either directly or indirectly (for example, through a third party). This includes agency workers, consultants, agents and suppliers.
Journey	Original departure time of aircraft to original scheduled arrival time at destination airport, including additional travel legs and transit time.
Operational Travel	Travel considered to be essential for the staff member to undertake approved network investment capex and opex programs





	of work, planned and emergency maintenance activities, field related ticket of work (TOW) activities regarding activation and assurance, approved programs of work for customer facing business units and provision of mobiles infrastructure at special events.
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## RECORD OF ISSUES

Issue No	Issue Date	Nature of Amendment
1	Jan 2013	First Release