STATOM HOLDINGS Limited (Statom Group Limited, Statom Group North Ltd, Statom Plant Ltd, Statom Remediation Ltd, Demoforce Group Ltd, FL-Facilities Group Ltd, Slipform Technology Ltd, Spark Tech MEP Ltd, Franki Foundations UK Ltd, Martello Piling Ltd) ("Statom", "the Company")

We are committed to high standards of professional conduct, integrity and accountability. As a leading civil engineering and construction organisation, we recognise that the behaviour and standards of our people are fundamental to building a strong, respectful culture and protecting our reputation as a trusted industry leader.

We expect everyone working for or on behalf of the Company to act with professionalism, respect and responsibility at all times, reflecting our values and supporting a positive working environment. Clear standards of behaviour are essential to ensuring safety, quality and effective collaboration across our projects and teams.

1. Purpose

This policy provides clear guidance on the claiming, approval and reimbursement of business expenses. Its purpose is to:

- ensure compliance with HM Revenue & Customs (HMRC) rules, PAYE and National Insurance requirements, the Bribery Act 2010, the Criminal Finances Act 2017, and applicable fraud prevention requirements;
- protect Statom Group, its subsidiary companies, workers and employees from financial, legal, tax and reputational risk;
- ensure expenses are reasonable, evidenced, authorised and treated consistently across the Group; and
- support fair treatment without allowing employees to be either financially disadvantaged or personally advantaged by legitimate business expenditure.

2. Scope

This policy applies to:

- all employees of Statom Group and its subsidiary companies, regardless of role, grade, work location or employing entity;
- all workers, consultants, agency workers and contractors where the Company has expressly agreed in writing that business expenses may be claimed; and
- any person using a corporate card, petty cash float, purchase card, fuel card, supplier account, booking platform or other method of committing Statom Group or any subsidiary company to expenditure.

For the purpose of this policy, "the Company" means Statom Group Limited, its wholly or partly owned subsidiaries, and all employing entities within the Group.

3. Core Principles

- Expenses must be incurred wholly, necessarily and exclusively in performing employment duties or for an authorised business purpose.
- Claims must be supported by VAT receipts, invoices or other acceptable evidence. Card slips alone are not sufficient.
- Expenses outside standard limits require prior approval from the relevant Business Unit Director or Managing Director.
- Employees must choose cost-effective options and avoid unnecessary or excessive expenditure.
- Finance will determine whether any expense is taxable, reportable through payroll, P11D or a PAYE Settlement Agreement, or exempt under HMRC rules.
- Employees must not use expenses to obtain personal benefit, rewards, loyalty points or cash equivalents where this creates a conflict of interest or additional cost to the Company.

4. General Rules

- Subcontractors must not be paid in cash. All subcontractor payments must be made through the approved Accounts process, with CIS verification and deductions applied where required.
- The Company will not reimburse discretionary tips or gratuities unless they are an unavoidable and reasonable mandatory service charge. Bribes, inducements, facilitation payments or improper payments are strictly prohibited.
- False, inflated, duplicate, personal or misleading claims may amount to gross misconduct, fraud or attempted fraud and may be reported to the police or other authorities.
- Employees must not facilitate, ignore or assist tax evasion by any person or organisation. Concerns must be reported to Finance, HR or through the Company's whistleblowing route.
- This policy will be applied consistently and without discrimination on any protected ground under the Equality Act 2010. Reasonable adjustments will be considered where appropriate.

5. Expense Submission and Reimbursement Timetable

1. Employees must submit expense claims promptly through SAGE during the month in which the expense is incurred, or as soon as reasonably practicable afterwards.
2. Line managers must review and approve valid claims by the 1st of each month for the previous month's claims.
3. Finance will process only approved and evidenced claims. Claims approved after the 2nd of the month may be processed in the mid-month payroll run.
4. Claims submitted late may be deferred, queried or rejected where the delay prevents proper verification, accounting or tax treatment.
5. Employees must not approve their own expenses. Expenses for directors or senior managers must be approved in line with the Company's delegation of authority.

6. Travel

- Travel is reimbursable where it is necessary for duties away from the normal place of work. Ordinary commuting between home and the normal workplace is not reimbursable, unless the employee is contractually home-based and the journey qualifies as business travel under HMRC rules.

- For employees using their own vehicle and not receiving a car allowance, HMRC Approved Mileage Allowance Payments (AMAPs) apply. From the 2026/27 tax year, the rates are: cars/vans 55p per mile for the first 10,000 business miles and 25p thereafter; motorcycles 24p per mile; bicycles 20p per mile. HMRC passenger payments for cars/vans may be claimed at 5p per passenger per business mile where the passenger is also travelling for work.
- Employees receiving a car allowance or using a company vehicle must follow the applicable company car, fuel card or allowance rules. Finance will confirm whether mileage, fuel or advisory fuel rates apply.
- Standard class is expected. First class travel is permitted only where demonstrably cost-effective or required for an exceptional business reason and pre-approved.
- Economy class is expected unless overnight travel, medical need, reasonable adjustment or exceptional business need is pre-approved by the Managing Director.
- These are reimbursable where incurred for authorised business travel and supported by evidence. Fines, penalties, late payment charges and avoidable enforcement costs are not reimbursable.
- These may be used only where necessary, safe and cost-effective, such as early/late travel, lack of public transport, carrying equipment, accessibility needs or urgent business requirements. Receipts are required.

7. Accommodation and Subsistence

- All accommodation and travel-related bookings must be made through the Company's approved booking system, designated travel provider or approved internal process. Employees must not book directly with hotels, booking sites or other providers unless expressly authorised.
- In genuine emergencies where accommodation cannot reasonably be arranged through business, employees may book directly and must notify their manager as soon as practicable.
- Emergency direct bookings are limited to £100 per night, or £150 within the M25, VAT inclusive and excluding breakfast. Higher costs must be explained and may be reimbursed only at the discretion of a Business Unit Director.
- Receipts must be provided in all cases. Where a receipt cannot reasonably be obtained, Finance may require alternative evidence and an explanation.
- Where overnight business travel is required, reasonable meal and beverage costs may be claimed up to £30 per day, supported by receipts. Alcohol is not normally reimbursable unless part of approved business entertaining.
- Incidental expenses may be claimed up to £5 per night in the UK and £10 per night overseas, supported by receipts where practicable.
- Where an employee stays privately for business reasons rather than in a hotel, a taxable allowance of £35 per night may be claimed where approved in advance.

8. Overseas Travel

- The same principles apply to overseas travel. Higher accommodation or subsistence costs may be approved where reasonable, necessary and evidenced.
- Expenses must be claimed in GBP. Currency conversion must be supported by bank or credit card statements, the card provider's rate, or an official HMRC exchange rate.

- Spouse, partner, family member or companion costs are not reimbursed unless their attendance is essential to the business purpose and approved in writing in advance by a Managing Director.
- Employees must comply with local anti-bribery, anti-corruption, sanctions, tax and customs requirements. Any uncertainty must be escalated before expenditure is incurred.

9. Business Entertaining, Gifts and Staff Events

- Business entertaining is permitted only where it directly supports legitimate business objectives, is reasonable and proportionate, and is fully evidenced. Claims must record the attendees' names, organisations, business purpose and date.
- Gifts and hospitality must be pre-approved by a Managing Director and must comply with the Bribery Act 2010 and the Company's Anti-Bribery and Corruption Policy.
- The HMRC annual function exemption may apply only when the event is annual, open to all employees or all employees at a location, and the total cost does not exceed £150 per head inclusive of VAT. Attendance lists and total costs must be retained.
- Where an event, gift, voucher, hospitality or benefit does not meet an exemption, Finance will determine whether it must be reported through payroll, P11D or a PAYE Settlement Agreement.

10. Other Expenses

- Charitable donations up to £500 may be approved by the Managing Director. Amounts over £500 require Statom Giving approval. Political donations require Group Board authorisation and must comply with applicable law.
- Up to two professional subscriptions per year may be reimbursed where the body is HMRC-approved, the subscription is relevant to the role, and approval has been obtained.
- Training, study support and qualifications must be pre-approved by HR/Learning and Development and supported by a business need. Repayment terms must be agreed in writing where applicable.
- Company-provided equipment should be used for business purposes. Business use of personal devices is at the employee's own cost unless specifically authorised. Any reimbursement must comply with information security and data protection requirements.
- Books, standards, publications and technical resources may be reimbursed only where business-related, approved, and made available to the team where appropriate.

11. Eye Tests, VDU Glasses and DSE Support

The Company provides access to eye care through the Specsavers Voucher Scheme. This supports compliance with the Health and Safety (Display Screen Equipment) Regulations and safe working practices.

- To obtain a voucher, email safety@statom.co.uk with your full name, site name and the type of voucher required.
- This includes a full eye and eyesight test, plus one pair of glasses from the relevant voucher range or an equivalent contribution towards other glasses. If no prescription is required, non-prescription sunglasses may be available under the scheme terms.
- This provides one pair of safety glasses with CR39 single-vision lenses and scratch-resistant treatment. A second voucher is required if bifocal or varifocal lenses are needed.

- Employees must obtain the voucher before booking or attending the appointment, book with Specsavers or their chosen participating store, and take the voucher to the appointment.
- No cash alternatives or personal reimbursements are available. Only vouchers issued by the Company will be accepted for reimbursement purposes.

12. Relocation

- The Company may cover relocation costs where employees are asked to move for business reasons and the arrangement is approved in writing in advance.
- HMRC's tax-free relocation allowance of up to £8,000 may apply where statutory conditions are met. Finance will confirm tax treatment before payment wherever possible.
- Repayment terms apply if an employee leaves voluntarily within 12 months, unless otherwise agreed in writing: 100% repayment if leaving within 6 months and 50% repayment if leaving within 12 months.
- Any deduction from pay must be authorised by the employment contract, a signed agreement, or another lawful basis. The Company will not make unlawful deductions from wages.
- Temporary relocation costs, such as accommodation or travel home allowance, may be provided where necessary and subject to tax rules.

13. Corporate Cards, Fuel Cards and Company Accounts

- Corporate cards, fuel cards, supplier accounts and booking accounts must be used only for authorised business expenditure.
- Employees must retain and upload receipts promptly and must not split transactions to avoid approval limits.
- Personal expenditure on a Company card or account is prohibited unless there is a genuine emergency and immediate manager notification is provided. Any personal cost must be repaid promptly.
- Loss, theft, suspected fraud or unauthorised use must be reported to Finance immediately.

14. Records, Data Protection and Audit

- Finance will retain expense records for at least three years from the end of the tax year to which they relate, or longer where required for audit, litigation, tax enquiry, insurance, contractual or regulatory purposes.
- Expense claims may contain personal data, including travel, location, bank, payment and health-related information where relevant. The Company will process such data in accordance with UK GDPR, the Data Protection Act 2018 and the Data (Use and Access) Act 2025.
- Employees must not upload unnecessary personal data or third-party information with claims. Where sensitive information is unavoidable, it should be limited to what is necessary to evidence the claim.
- The Company may audit claims, request supporting evidence, contact suppliers, review booking data and investigate unusual patterns or suspected misuse.

15. Governance and Compliance

- Employees are responsible for understanding and following this policy before incurring expenditure.
- Line managers must review claims promptly and challenge incomplete, excessive, personal or unsupported expenditure.

- Business Unit Directors and Managing Directors must authorise exceptional expenses and ensure approvals are reasonable, consistent and documented.
- Finance reviews claims for compliance, tax treatment, reporting requirements and audit purposes before reimbursement.
- HR will support disciplinary, grievance, whistleblowing, equality, reasonable adjustment and policy interpretation matters where required.

16. Legal Safeguards

- This policy is intended to comply with the Employment Rights Act 1996, Employment Rights Act 2025 where in force, Income Tax (Earnings and Pensions) Act 2003, PAYE Regulations, Equality Act 2010, UK GDPR, Data Protection Act 2018, Data (Use and Access) Act 2025, Bribery Act 2010, Criminal Finances Act 2017, Economic Crime and Corporate Transparency Act 2023 where applicable, and relevant HMRC guidance.
- Nothing in this policy prevents employees from raising protected disclosures under the Public Interest Disclosure Act 1998 or from exercising statutory employment rights.
- Any repayment, set-off or deduction from pay will be managed only where there is a lawful basis and will be handled consistently with wage protection rules.
- Any dispute about an expense claim should be raised with the line manager and may be escalated through Finance, HR or the Company's Grievance Procedure.

17. Non-Compliance

Failure to comply with this policy may result in disciplinary action, up to and including dismissal. Fraudulent, dishonest or deliberately misleading claims may also result in civil recovery of funds, referral to law enforcement, regulatory reporting and/or criminal prosecution.

18. Review

This policy will be reviewed annually, and earlier where there are material changes to tax rules, employment legislation, data protection law, fraud prevention duties, HMRC guidance, Company structure or operational requirements.

AUTHORISED AND SIGNED

SIGNED	**SIGNED**
Kevin McNair	Martina Oyite
Chief Finance Officer	**Group HR Director**
Review: Annually	**Review: Annually**
Date: 19/06/2026	**Date: 19/06/2026**
Next Review: 01/06/2027	**Next Review: 01/06/2027**