

# Anti-Bribery & Anti-Corruption Policy



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## Document History

The Legal department is the custodian of this policy and shall update this document as circumstances dictate, subject to approval of the Chief Executive Officer (CEO) and/or Board of Directors.

Reviewed By	Designation	Approved By	Designation	Version	Date
Tunde Israel	Legal Advisor	Isaac Omotayo	CEO	V1.0	Oct., 2021



## 1 INTRODUCTION

MERIT's business depends on its relationships with multi-national private industry customers and government regulatory bodies and with and the trust they place in the company. To ensure the protection of this trust MERIT undertakes to conduct all activities in an honest and ethical manner and in accordance with applicable laws.

Violation of such laws and regulations creates legal, financial, and reputation risks for MERIT and individual employees and is not acceptable.

MERIT has a zero tolerance approach towards bribery and corruption, as illustrated by **section 3.1 of MERIT Code of Business Conduct**.

## 2 SCOPE

The Anti-Bribery and Anti-Corruption Conduct applies to all employees, directors and officers ("Employees"), at all levels of MERIT's worldwide organisations and all Associated Third Parties (as defined in section 3.3 below) of MERIT.

MERIT's Anti-Bribery and Anti-Corruption Conduct should also be communicated to third party trading partners which have a relationship with MERIT (customers, partners, suppliers, contractors, service providers, etc.). The related clauses should be inserted in the contractual arrangements with such parties.

## 3 POLICY

### 3.1 GENERAL PRINCIPLE

#### 3.1.1 Corruption and bribery is prohibited.

It is never acceptable to authorize, offer, promise, give, solicit or accept any bribe, kickback, or other benefit or advantage, whether cash or other inducement, to or from any person or company, wherever they are situated, and irrespective of whether they are a public official, public body, private person, or company in order to gain any commercial, contractual or regulatory advantage for MERIT in a way which is illegal or undue or to gain any personal advantage, pecuniary or otherwise, for the individual or anyone connected with the individual.

#### **GOLDEN RULE:**

*If you would find it difficult to explain a given situation to your management or a "neutral party", this is a clear warning signal.*

### 3.2 PROHIBITIONS ON ADVANTAGES

It is prohibited to offer or grant an advantage to a government official or a private sector person to persuade that official or person to help the company to obtain undue or illegal benefits. Improper advantage can be widely defined, including anything of value. For example, it is not allowed to:

- offer an advantage to a government official or a private person to illegally or unduly obtain a service or goods;
- purchase a government official's or private sector person's property or services at inflated prices; or
- offer benefits (travel expenses, gifts, scholarships, employment etc.) to a family member of a government official or a private sector person to influence a decision.

Such an advantage to government officials or private sector persons is prohibited even if:

- (i) the benefits flow to another party and not to the party granting the advantage;
- (ii) the business is not with the government or the private sector entity;
- (iii) the granting of the advantage does not result in the award of the business or service expected;
- (iv) the government official or the private sector person initially suggested or requested the granting of the advantage.

#### 3.2.1 Gifts, Hospitality & Payment Of Bona Fide Business Expenses

The offering of gifts of any value and the solicitation of gifts or hospitality is prohibited.

Offering or accepting of hospitality is allowed but caution should be taken in offering or accepting hospitality that could be perceived as inappropriate or create a position of obligation on the part of the recipient.

The practice of giving hospitality varies between cultures and countries. Practices that may be normal and acceptable in one country may not be in another. In any case, local laws shall be followed and local customs shall be understood and respected, to the extent consistent with applicable laws and this Conduct. Hospitality (offered or received) shall be proportionate and appropriate and shall not be capable of misinterpretation if publicly disclosed.

Particular restraint shall be exercised with government employees and officials to avoid any impression of exerting improper influence on official decisions.

Corrupt actions can best be defined by analyzing intent. If the action is intended to influence normal decision-making, such that the giver gains special advantage, this constitutes

corruption, but an action involving a third party openly to promote good relations or mark significant occasions is considered generally appropriate, provided it meets the following requirements:

- a. It is not made with the objective of influencing anyone to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favors or benefits;
- b. It complies with local law and practice (e.g. most countries impose restrictions on what government officials or employees may receive and such local rules, including internal rules of government agencies, must be identified and followed);
- c. It is reasonable and proportionate in all circumstances from both an international and local perspective;
- d. It does not have a significant value
- e. It is not in cash
- f. It is given openly, not secretly; and
- g. It is properly recorded and accounted for, including the reason for the expenditure.

#### **3.2.1.1 GIFTS**

The giving and receiving of any gift of any nature or value is prohibited. Only publicity materials which are made freely available to all third parties may be presented. These are considered to be items of a trivial value, which are marked clearly with the MERIT logo and which have been prepared for the purposes of the promotion of the company.

If, in very exceptional circumstances, there is a strong business motive for making the presentation of a gift for reasons of local expectations and practices, then a concise written explanation of the situation and circumstances should be prepared. It should identify clearly the person concerned, the business motive for the occasion, the nature and value of the gift and any other pertinent information. The proposal will be prepared by the head of Commercial or delegate responsible for the business activity, and presented for approval to the Legal Advisor, the Compliance Officer and the Chief Executive Officer. The approval must be obtained before the gift is presented.

#### **3.2.1.2 HOSPITALITY**

Corporate hospitality (including business meals and entertainment) is a legitimate way of building business relationships. Although lavish hospitality in certain circumstances can amount to a bribe, appropriate, reasonable (on an individual and aggregate basis) and genuine hospitality are allowed.

Reasonable, non-lavish, expenses incurred on behalf of a third party that are directly related to promoting, demonstrating, explaining, or certifying MERIT's products or services, or that are directly related to executing or performing a contract, can normally be considered proper. Payment of such expenses may include items such as the reasonable cost of transport, meals and lodging. However, before payment of such expenses, it is important to ensure that such payments are permitted under the applicable law and by the third party's organization. Caution must be exercised because payments which are construed as excessive may constitute an improper advantage. In case of doubt, the Compliance officer or/Legal Advisor must be consulted in advance to ensure that payment of such expenses is proper. All hospitality expenses must be appropriate, proportionate and transparent and shall be accurately and properly recorded with appropriate supporting documentation in the financial records.

The giving of hospitality higher than, or the receiving of hospitality that is or appears to be higher than the equivalent of \$50 USD per person per occasion must be recorded in the hospitality register. The entry should indicate the employees and third parties concerned, providing names and company affiliation, a short description of the event, the nature of the hospitality received or given, together with the business reason for such hospitality. The giving and the receiving of such hospitality are subject to the prior approval of the respective Commercial Head and the Compliance Officer. In case of doubt concerning any hospitality given or received, it is recommended the prior approval of the respective Commercial Head and the Compliance Officer is sought before incurring the expenses.

T E L E C O M S

### 3.2.1.3 *Travel and Expenses*

Paying for company, government officials and employees and other third parties to attend a conference or other events should not violate anti-bribery legislation when, in addition to the safeguards required for gift giving (as set forth above in section 3.2.1.1(a) to (g)) the following additional factors are observed:

- a. MERIT plays no active role in selecting which individuals attend the conference or event (i.e. the choice is made by the organisation to which they are affiliated);
- b. the persons concerned do not have direct authority to award future contracts to MERIT, or to influence any approvals in favour of MERIT;
- c. MERIT pays expenses for travel and accommodation directly or reimburses the individuals only upon presentation of a written receipt and documentary confirmation of attendance at the conference or event;
- d. while limited and appropriate entertainment remains possible, the visit is predominantly focusing on business matters;
- e. MERIT's payment is limited to those costs necessary for participation in the conference or event, including registration fees and reasonable (not extravagant) travel expenses and meals, and does not include payment for personal or leisure activities, such as entertainment or side trips;
- f. the total cost is reasonable under the given circumstances; and
- g. the expense is properly recorded, including the reason for the expenditure, and accounted for
- h. Unless in exceptional circumstances and previously approved by the CEO and the Compliance Officer, the payment or reimbursement of hospitality expenses for a spouse or family member of a third party is prohibited.

### 3.2.2 **CONTRIBUTIONS TO POLITICAL PARTIES, ORGANISATIONS OR INDIVIDUALS**

Direct or indirect contributions to political organizations or individuals as a way of obtaining illegal or undue advantage are prohibited. For example, giving a contribution to a political candidate in return for that candidate's promise to vote for legislation is prohibited. Political contributions may be made legitimately when they are made in accordance with local legislation and free of any obligation. In case of doubt, the Compliance Officer should be consulted. Any such contribution requires prior approval from the CEO, the respective Commercial Head, and the Compliance Officer. Any payment relating to the abovementioned subject matters must be properly accounted for and recorded with supporting documentation. Such contributions must be notified directly to the Compliance Officer who will maintain a central register for political donations.

Employees and Associated Third Parties acting in their personal capacity as citizens are not restricted from participating in political processes. Employees making political contributions

in their personal capacity shall not state their company affiliation, unless required to do so by law.

### **3.2.3 SPONSORSHIPS, DONATIONS, CONTRIBUTIONS TO CHARITY OR SOCIAL PROJECTS**

Monetary and other contributions to charities, social projects and funds, including schools, educational funds and infrastructure projects, must be handled in accordance with applicable Corporate Sponsorship & Donations Guidelines. In order to minimise any risk, MERIT requires an appropriate investigation to be conducted into such charities and projects before funding, namely in order to exclude such contributions which indirectly support any client, potential client or government body. Any such contribution requires prior approval of the Commercial Head with consultation of the Compliance Officer. Any payment must be properly accounted for and recorded, and supporting documentation must be kept. The transaction should be reported in the corporate sponsorship and donations register.

### **3.2.4 EXCEPTION**

When a payment is being demanded of any MERIT employee and their safety or liberty is under threat or they feel they have no alternative but to pay for personal or family peace of mind, then they should pay the amount and report this to their line manager as soon as possible. The matter shall also be immediately reported to MERIT Group Legal Department.



### 3.3 ASSOCIATED THIRD PARTIES: DUE DILIGENCE, APPOINTMENT, LEGAL DOCUMENTATION, RECORDS AND ACCOUNTS

MERIT may work with third parties to solicit business on the company's behalf, as a legitimate element in its international marketing and sales strategy and so as to ensure a flexible global business development network.

In order to preclude involvement in corruption, it is MERIT's policy to do business only with **reputable and qualified** third parties, when needed.

For any third party which may be engaged to assist MERIT in its business development and commercial efforts in its dealings with customers or governments, or which may otherwise do business on MERIT's behalf, whatever the description of such third party, i.e. consultant, agent, adviser, broker, distributor, intermediary, representative, lobbyist, partner (in a joint-venture or other) or any other term (hereafter together defined as "Associated Third Parties"), MERIT has adopted appropriate procedures for conducting integrity due diligence on such Associated Third Parties.

Associated Third Parties who does not operate fully under MERIT's control and constant vigilance is required. While MERIT employees cannot always be expected to be aware of every detail of the behaviour and actions of properly appointed Associated Third Parties, Associated Third Parties' activities must be monitored and - as specified below - suspected violations of this Conduct by Associated Third Parties must be reported.

Before an Associated Third Party is appointed and a contractual relationship is entered into between MERIT and such Associated Third Party, the internal approval procedures shall be completed.

All legal documentation with an Associated Third Party must be drawn up in coordination with MERIT Legal Department and all signed contracts with Associated Third Parties must be provided to MERIT Legal Department for filing and contract management. Such contracts shall always bind the relevant Associated Third Party to the principles outlined in the present Conduct.

MERIT and any of its affiliates shall make and keep accurate books and records and maintain an appropriate system of internal controls. No undisclosed or unrecorded fund or account may be established for any purpose. Although these requirements apply to all corporate transactions, MERIT's employees should take special care to ensure that any expenditure of company's funds related to Associated Third Parties, or in exceptional cases, to any government official, is accurately and completely documented, regardless of the amount of such transaction.

For each relationship with an Associated Third Party, the responsible MERIT Business

representative (Commercial Head, or Sales Manager) shall maintain a file that, as appropriate in the individual business case, reasonably documents interactions with such Associated Third Party (such as due diligence documentation, meeting and other reports, working papers, etc.) and controls of lobbying activities, as well as other interactions with governments on behalf of MERIT.

All MERIT employees shall adhere to MERIT's mandatory due diligence, internal approval, financial reporting, and documentation retention requirements regarding Associated Third Parties.

### 3.4 LOBBYING

It may happen that MERIT – either directly or by retaining third parties - engages in policy debate on subjects of legitimate concern to its business, customers and end users and the communities in which it operates.

Any act of attempting to influence policy decisions made by government officials shall be considered as lobbying. A lobbyist is an individual or organisation which makes communications directly to those who make policy decisions about government policy or legislation on behalf of MERIT and in return for payment.

Any MERIT officer, employee or Associated Third Party who lobbies on behalf of MERIT must comply with all requirements of applicable laws and regulations relating to that activity. This shall include any registration and reporting obligations where applicable.

All principles and rules of the present Policy must be followed in the course of any lobbying activity by any MERIT representative or Associated Third Party. This entails in particular that lobbying should not take place in any way that can be construed as being corrupt or for an illegal purpose, or to improperly influence any decision by means of payment or other coercive means.

In addition, lobbyists shall respect ethical values – such as transparency and integrity – when conducting lobbying activities. This means in particular that they must:

- Always disclose to the stakeholder that lobbying is carried out on behalf of or in cooperation with MERIT;
- Provide accurate and non-misleading information based on a sound understanding of the issues under discussion; and
- Present information in a balanced and unbiased manner (for example, disagreement may be expressed but it should be based on substantiated evidence and facts)

Lobbying activity involves the presentation of arguments to influence a policy decision which may or may not provide MERIT with business opportunities at a later stage. As such there is no direct business objective when making a decision to engage a lobbyist. All

lobbyists shall avoid any specific business development or sales and marketing activities when engaging in discussions and presentations with government officials.

Prudence must be exercised in providing funds to governments or other institutions/agencies for any perceived business benefit. Any financial support proposed should be justified with a satisfactory rationale and made in accordance with the present Conduct and the Anti-Bribery and Anti-Corruption guideline.

#### **4 TRAINING**

MERIT Legal Department and MERIT Human Resources, will, on a continuing basis, provide specific training on this conduct and on anti-bribery and anti-corruption laws in general for MERIT employees and relevant Associated Third Parties. In particular, MERIT Legal department support training for MERIT's sales, business development and procurement teams as well as for employees involved in internal control procedures, to ensure that their responsibilities and duties are correctly understood and that best practice is followed.

If you have any question, doubt or concern in relation to the application of this Conduct, please contact MERIT Compliance Officer or MERIT Legal department.

#### **5 ENFORCEMENT**

The Commercial Head, Function Heads and MERIT unit Heads are responsible for ensuring that this conduct is applied in their respective organizations. Compliance with this conduct will be periodically reviewed by internal audits.

#### **6 VIOLATIONS**

All employees shall adhere to the applicable law and the Anti-Bribery and Anti-Corruption conduct at all times and in all places.

Violation of the rules as set out in this document will lead to serious consequences, including disciplinary action, termination of employment and possible civil and criminal penalties for the employee and for MERIT.

Violations and suspected violations shall be reported promptly to any senior management or to the Compliance Officer [compliance@merittel.com](mailto:compliance@merittel.com).

Unless the employee reporting a violation or suspected violation has him/herself violated the Anti-Bribery and Anti-Corruption Conduct or has acted in bad faith, MERIT will protect the employee against retaliation and, if requested, will keep the identity of the employee confidential provided this is aligned with MERIT's commitment to appropriately protect employees' rights.