



# SCANCOM PLC (MTN GHANA)

## Policy on Engaging External Professional Experts

<b>Business Area</b>	Company Secretariat		
<b>Policy Reference</b>	MTN-Ghana-CoSec-P-Engaging External Professional Experts	<b>Version</b>	v01 2022
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<b>Policy Owner</b>	Pala Asiedu Ofori	<b>Signature</b>	
<b>Board Chair on behalf of the Board</b>	Ishmael Yamson	<b>Signature</b>	

**Table of Contents**

1. EXECUTIVE SUMMARY.....3

2. POLICY APPROVAL.....3

3. DEFINITIONS.....3

4. INTRODUCTION.....4

5. PURPOSE.....4

6. SCOPE AND APPLICABILITY.....5

7. PROCEDURE FOR ENGAGING EXTERNAL PROFESSIONAL EXPERTS.....5

8. BUDGET.....7

9. POLICY COMPLIANCE.....7

10. POLICY REVIEW.....8

11. REFERENCE DOCUMENTS.....8

## 1. EXECUTIVE SUMMARY

This Scancom PLC (MTN Ghana) Policy on Engaging External Professional Experts has been adopted by the Board in compliance with the Securities and Exchange Commission's Corporate Governance Code. The purpose of this Policy is to define a formal procedure by which directors of MTN Ghana may seek independent professional advice to enable the directors to fulfil their responsibilities to MTN Ghana.

This Policy provides how independent advice may be sought at the expense of MTN Ghana in line with law and best corporate governance practices. It outlines the scope of advice that may be sought, the procedure for obtaining approval to obtain external professional advice and the factors that ought to be considered in granting approval to engage an external professional expert.

## 2. POLICY APPROVAL

This MTN Ghana Policy on Engaging External Professional Experts is a statutory policy as defined by the MTN Ghana Master Policy and shall take effect upon approval by the Board.

## 3. DEFINITIONS

Term	Definition
<b>Audit Committee</b>	means the Audit Committee of the Company duly constituted.
<b>Board</b>	means the Board of Directors of the Company, acting either through itself, through any committee of its members appointed by it and/or through a duly authorized company official.
<b>Board Charter</b>	means the Board Charter of the Company.
<b>Code of Ethics</b>	means the Code of Ethics of the Company adopted by the Board from time to time.
<b>Effective Date</b>	means the date of approval of this Policy by the Board.
<b>External Professional Advice</b>	includes, but is not limited to, corporate governance, legal advice, any operational business advice, technical advice and the advice of accounts and tax specialists as well as other professional advisors on matters relating

<b>Term</b>	<b>Definition</b>
	to law, accounting, telecommunications and other regulatory matters.
<b>Policy</b>	means this policy on engaging external professional experts.
<b>ScancomPLC/MTN Ghana/the Company</b>	means a public listed company registered under the laws of the Republic of Ghana.
<b>SEC Corporate Governance Code</b>	means Securities and Exchange Commission's Corporate Governance Code for Listed Companies 2020 (SEC/CD/001/10/2020).

#### 4. INTRODUCTION

- 4.1. In compliance with paragraph 6 (6) of the SEC Corporate Governance Code, the Board recognises that the need may arise for Directors to seek external professional advice in furtherance of their duties as Directors and on matters affecting the Company.
- 4.2. The advice sought may be for the benefit of the Company generally, or in some instances, for the benefit of the Board only, in the performance of the Board's oversight role over management.
- 4.3. The legal department of the Company shall coordinate the engagement of external experts by the Board or individual directors. Where the Board is of the opinion that coordination by the legal department will result in actual or potential conflict of interest or that the matter for which external professional advice is sought is highly confidential, the Company Secretary shall be given the responsibility of coordinating the engagement of the external experts.
- 4.4. All internal professional expertise available within the Company must be exhausted prior to engaging external experts and an external expert should only be engaged when options for sourcing the required services internally have been fully exhausted.
- 4.5. In special circumstances as may be considered and approved by the Board Chairman, external expert advice may be obtained in the first instance.

## 5. PURPOSE

- 5.1. The Board has formulated this Policy to define the process by which external professional experts may be engaged at the request of a director seeking professional advice in line with best practices of corporate governance.
- 5.2. External professional advice excludes advice relating to:
  - 5.2.1. the personal interests of the Director(s) concerned such as the Director's service contracts with the Company or disputes with the Company; and
  - 5.2.2. the exercise of commercial judgement by a Director in the normal course of fulfilling responsibilities and duties as a Director of the Company.

## 6. SCOPE AND APPLICABILITY

- 6.1. This Policy applies to the engagement of all external professional experts by the Company at the request of a director.
- 6.2. The Board shall take into account this Policy, the Board Charter, Code of Ethics and any other relevant documents when considering engaging external professional experts.
- 6.3. The ultimate responsibility for this Policy vests in the Board.

## 7. PROCEDURE FOR ENGAGING EXTERNAL PROFESSIONAL EXPERTS

- 7.1. The Company may engage external professional experts at the request of a Director on any matter connected with the discharge of the Director's responsibilities to the Company. Such requests shall be subject to the condition that:
  - 7.1.1 professional advice based on the expertise of Board members has been sought from the Board and duly exhausted;
  - 7.1.2 a prior opinion has been obtained internally, where possible;
  - 7.1.3 notwithstanding 7.1.1 and 7.1.2 above, a further opinion is required by the Director. The engagement will be subject to the conditions and in accordance with the procedure setout below.
- 7.2. A Director requiring an opinion from an external professional expert shall submit a request to the Chairman of the Board (with a copy to the Company Secretary) of the Director's intention to engage an external professional expert and shall provide in the notice of request, the following information:
  - 7.2.1. the name(s) of at least two preferred professional experts/firms recognised in the area for which the advice is being sought;

- 7.2.2. nature of the opinion or advice being sought;
  - 7.2.3. reasons for seeking the advice;
  - 7.2.4. terms of reference for the advice; and
  - 7.2.5. fee quotes from the preferred professional experts/firms. The Company Secretary shall provide a written acknowledgement of receipt of the request.
- 7.3. Where more than one Director is seeking advice on the same issue, the Company Secretary shall consolidate the various requests for the Chairman's approval.
- 7.4. In determining whether to approve a request and which professional expert/firm to select, the Chairman, in consultation with the Company Secretary or the head of the relevant department, if the Chairman deems fit, shall consider, among others, the following:
- 7.4.1. the urgency of the matter;
  - 7.4.1 special, temporary, or highly technical circumstances which cannot be handled by Company staff;
  - 7.4.2 the need to avoid actual or potential conflict of interest;
  - 7.4.3 the need for an objective, independent opinion; and
  - 7.4.4 the budget cap for the year.
- 7.5 If the Chairman withholds approval, the Director seeking advice may seek approval from the Board at the next Board meeting. Where the advice is urgently required, the Director may requisition a Board meeting.
- 7.6 Upon selecting an external professional expert, the Company shall enter into a contract with the selected professional expert/firm in accordance with its standard template for hiring suppliers. The contract shall include the following clauses:

- 7.6.1 the scope of services/advice to be provided by the expert or firm;
- 7.6.2 timelines for the provision of the advice;
- 7.6.3 fees and mode of payment in line with the Company's internal policies;
- 7.6.4 confidentiality; and
- 7.6.5 intellectual property rights of the parties.

7.7 The information and advice obtained by a director in terms of this Policy shall be sent to the Company Secretary for record keeping. The Company Secretary shall inform the Board members that such information has been documented, and any Board member shall have the right to request a copy of such information or advice.

7.8 Where a Director's request for an external professional expert will require the Company to engage expertise outside Ghana, the provisions of the Ghana Investment Promotion Centre Act, 2013 (Act 865) and the Technology Transfer Regulations, 1992 (L.I 1547) must be taken into consideration and complied with accordingly.

## **8 BUDGET**

8.4 On the advice of the Chief Finance Officer of the Company, a budget cap shall be set by the Board at the beginning of each financial year for the engagement of external professional experts/firms during the year.

8.5 The Chairman shall set a fee cap on every approved request for an external professional expert. However, the Chairman in consultation with the chairman of the Audit Committee, may on reasonable grounds, authorise expenditure beyond the fee cap.

## **9 POLICY COMPLIANCE**

9.4 This Policy shall comply with the Board Charter, all Company policies and statutory and regulatory obligations in Ghana.

9.5 Compliance with this Policy by the Company is mandatory and it shall be the duty of the Policy Owner (defined above) to ensure compliance.

## 10 POLICY REVIEW

- 10.4 This Policy shall be reviewed annually or as may be required for compliance purposes and to maintain its relevance and applicability. Business and/or legislative requirements may necessitate more frequent review(s).
- 10.5 Any reviews to this Policy shall accordingly be facilitated by the Policy Owner.
- 10.6 It is the sole responsibility of the Policy Owner to ensure that any approved policy changes are accordingly communicated to the various stakeholders using the applicable channels.
- 10.7 If this Policy is not reviewed, within the specified time frame, then the provisions of the Policy shall remain operational and applicable until the Policy is next reviewed.

## 11 REFERENCE DOCUMENTS

Document Name	Publication Date	Published By
Corporate Governance Code for Listed Companies	2020	The Securities and Exchange Commission
Ghana Investment Promotion Centre Act, 2013 (Act 865)	2013	Government of Ghana
Technology Transfer Regulations, 1992 (LI 1547)	1992	Government of Ghana
MTN Ghana Master Policy	2018	Risk and Compliance
Board Charter	2022	Board
Code of Ethics	2022	Risk and Compliance