

# PRIVACY STATEMENT

The protection of our clients' personal data is a top priority for aktsiaselts [public limited company] Merit Tarkvara and its subsidiaries ("Merit Tarkvara", "we" or "us"). This Privacy Statement provides valuable information on how and why Personal Data is collected, processed and shared by Merit Tarkvara. The term "Personal Data" means any information about an identified or identifiable natural person, like name, address, e-mail address and information about visits to our website and use of our services.

Merit Tarkvara is a software company focusing on developing accounting and salary accounting software and online services. Merit Tarkvara has its head office in Poltsamaa (Estonia) and offices in Tallinn, Tartu, Parnu and Jogeva as well as subsidiaries in Finland and Poland. Merit Tarkvara is subject to European data protection and privacy legislation including the General Data Protection Regulation (GDPR).

This Privacy Statement applies to all business processes in Merit Tarkvara and to all its websites, mobile applications, cloud services and desktop applications (Merit Sites). The Privacy Statement provides information about data processing by Merit Tarkvara, where Merit Tarkvara determines the means and purpose of processing (i.e. acts as a Data Controller) but also where Merit Tarkvara processes personal data on behalf of its Customers according to their instructions (i.e. acts as a Data Processor). Merit Tarkvara processes Personal Data in order to provide services and products to its customers and to ensure that all the functionalities of Merit Sites operate properly.

## 1. WHOSE DATA WE PROCESS

Merit Tarkvara processes the personal data of our client's representatives and contact persons, software users related to our clients, potential employees and visitors of Merit Sites (see more from the Data Controller section).

Further, Merit Tarkvara also processes data on behalf of our clients, where our clients act as Data Controllers (see more from the Data Processor section).

Data Subjects whose data is processed by Merit Tarkvara may in this Privacy Statement also be referred to as "natural persons".

## 2. DATA CONTROLLER

When it is up to Merit Tarkvara to determine the purpose, means and extent of processing Personal Data, then we act as a Data Controller. Amongst others it includes situations when we collect personal data from potential employees, representatives of clients or from software or service users.

### 2.1. Purpose of processing and legal grounds

With regard to software users and client representatives we process Personal Data in order to fulfil our contractual obligations and provide a high quality service to our clients. The legal ground for Merit Tarkvara processing Personal Data for abovementioned reasons is the performance of a contract entered into with the data subject or Merit Tarkvara's legitimate interest in ensuring that our services are properly provided.

With regard to potential employees we process Personal Data in order to assess competences of

the potential employee to determine his or her suitability for working at Merit Tarkvara. The legal grounds for aforementioned processing are the legitimate interest of Merit Tarkvara or consent, depending on the circumstances.

With regard to Merit Sites, we use automatically collected information about the use of Merit Sites in order to better understand our clients' interests and improve the usability of Merit Sites. The legal ground for aforementioned processing is our legitimate interest to understand better our clients' needs and to provide a better service.

## **2.2. How we collect information**

Usually we collect personal information directly from the Data Subjects i.e. from client representatives, client employees using our products, potential employees etc.

In addition, we use automated data collection tools such as cookies, and other data tracking technologies in order to optimise user experience on Merit Sites and to provide better services to our clients. For more information about the use of automated data collection tools please see the respective section.

We use various automatic tracking tools to gather information about our activities on Merit Sites and when communicating with Merit Tarkvara.

### **Cookies and pixel tags**

Cookie is a small text file that is saved to the user's device when visiting the site that enables the site to remember user preferences like font size, language, login details etc. Website operators or third parties send them to the user's device. Pixel tags are small blocks of code on webpages, that enable the sites to read and place cookies. They execute when a user opens an email or lands on a webpage and cause third party cookies to be downloaded or registers that you have opened an email. Our websites use strictly necessary cookies, the purpose of which is to make sure that the website is functional, and analytical cookies, the purpose of which is to improve Merit Tarkvara's products and content. We use analytical cookies only with your consent. You can control the use of cookies through your browser settings.

Visit <http://www.allaboutcookies.org/> to find out more about cookies.

## **2.3. Types of processed personal data**

Merit Tarkvara might process the following types of personal data:

- General contact information like name, address, telephone number and email;
- Date of birth, age and gender;
- Employment information like employer, title, position, preferences in professional context, as well as data on previous work experience;
- Feedback and comments about Merit Tarkvara and our services;
- Uploaded content like files, photos, videos etc.;
- User information like login ID, username, password and security questions;
- Financial information like credit card or PayPal information,
- Information provided by the user's web browser like browser type, device, language and the address of the website from which the user arrived and other traffic information such as IP address;

- Clickstream behaviour and movement on Merit Sites;
- The user's behaviour related to Merit Tarkvara's emails like which emails the user opened, when and how;
- Any other personal data that you have made publicly accessible or accessible to us on third party social networks such as LinkedIn, Facebook etc.

Merit Tarkvara as Data Controller does not and will not process any special categories of personal data ("sensitive data").

## **2.4. Sharing personal data**

### **2.4.1. *Within our group***

Merit Tarkvara group includes subsidiaries and it is possible that the clients use the services of more than one member of our group and it is in our interest to provide the best possible user experience and service in general. Therefore, in order to have a complete overview of our clients and their connections with our group members and in order to provide the best possible service we will share Personal Data with all of our group members.

### **2.4.2. *Outside Merit Tarkvara group***

#### **Merit Tarkvara user communities**

When a user posts, comments or reacts at Merit Tarkvara's user communities or forums at Merit Sites, then this information can be read, used and processed by anyone with access to Merit Sites. This information can be used for purposes over which we have no control and therefore, Merit Tarkvara cannot be held liable for any information users submit on Merit Sites. However, we will not post or otherwise use any of the users' posts, comments or reactions without the respective user's prior consent.

#### **Business partners**

We may share certain types of personal data with our business partners when it is necessary and legitimate from the business aspects and in accordance to the applicable data protection legislation. Sharing of personal data might occur in order to enable us to provide the service or product to the clients. The legal basis for this processing of personal data is our legitimate interest.

#### **Public Authorities and consultants**

In circumstances foreseen by the law Public Authorities like police may demand Merit Tarkvara to hand over certain personal information about natural persons. Merit Tarkvara will provide Public Authorities with personal information if it is in accordance with the applicable legislation. The legal basis for the processing of personal data in this case is the performance of a legal obligation.

Merit Tarkvara may also, in certain cases, in accordance with the applicable legislation, forward personal data to auditors, solicitors, accountants, and other consultants. The legal basis for the processing of personal data in this case is Merit Tarkvara's legitimate interest.

#### **M&A**

If any mergers and acquisitions should occur in relation to Merit Tarkvara, then the acquiring entity (including its consultants) will obtain all data held by the relevant entity of Merit Tarkvara, such data might include personal data. If this is the case a NDA will be concluded between Merit Tarkvara and the aforementioned external parties. The legal basis for this processing of personal

data is our legitimate interest or the performance of a legal obligation.

### **3. RIGHTS OF DATA SUBJECTS**

#### **3.1. Marketing communications**

Anyone who is no longer interested in receiving marketing information from Merit Tarkvara has the opportunity to opt-out at any time by either:

- Following the relevant opt-out instructions at the footer of relevant marketing texts;
- Change marketing preferences under the account setting, if the user has an account with Merit Tarkvara;
- Contacting us via e-mail [merit@merit.ee](mailto:merit@merit.ee).

However, even after opting-out from receiving marketing information we may still send administrative communications from Merit Tarkvara like product/service order confirmations and notifications necessary to manage the user's account at Merit Tarkvara.

#### **3.2. Basic rights**

A Data Subject has the right to request the access and rectification or erasure of personal data or restriction of processing or to object to processing as well as the right to data portability. Further, Data Subjects have a right to lodge a complaint with a respective supervisory authority.

- The right to rectification is the Data Subject's right to obtain without undue delay the rectification of inaccurate personal data concerning the Data Subject;
- The right to erasure is the Data Subject's right to obtain the erasure of personal data concerning the Data Subject without undue delay, where certain additional circumstances are fulfilled;
- Under certain circumstances the Data Subject has the right to restrict the processing of Personal Data;
- A Data Subject has the right to receive the personal data concerning the Data Subject, and that the Data Subject has provided to us, and has the right to transmit those data to another controller, where technically feasible, where the processing is based on consent or on a contract and the processing is carried out by automated means;
- A Data Subject has the right to object, on grounds relating to the Data Subject's particular situation, at any time to processing of personal data concerning the Data Subject which is based on respective provisions of the law, including profiling based on those provisions;
- Subject to the respective statutory limitations set by the applicable law, the Data Subject has the right not to be subject to a decision based solely on automated processing, including profiling, which produces legal effects concerning the Data Subject or similarly significantly affects the Data Subject;
- Where the processing of personal data is based on the Data Subject's consent the Data Subject can withdraw such consent at any time, without affecting the lawfulness of processing based on consent prior to its withdrawal.

Please use [merit@merit.ee](mailto:merit@merit.ee) to exercise all of the aforementioned rights.

## **4. DATA SECURITY AND RETENTION PERIODS**

### **4.1. Security of personal data**

Keeping Personal Data secure is a topmost priority for Merit Tarkvara. We do our best to prevent unauthorised access, disclosure and other improper processing activities. We keep Personal Data confidential, maintain its integrity and guarantee its availability according to the applicable legislation.

We have put in place reasonable and appropriate organisational, technical and physical procedures and safeguards to protect the information we collect and process. These procedures also take into account the type of personal data and the risks related to its possible disclosures. In the following we bring out specific actions with regard to organisational, technical and physical safeguards in place at Merit Tarkvara.

### **4.2. Retention period - how long we keep Personal Data**

Merit Tarkvara only keeps Personal Data as long as is needed for the stated purpose. However, the retention period also depends on the need to respond to the Data Subjects' queries and resolve problems as well as on legal requirements for retaining certain documents.

When we no longer need Personal Data and there are no statutory obligations for retaining the relevant data, we will delete such Personal Data. We may still use such data for statistics, but in that case it will be pseudonymised or anonymised.

## **5. MERIT TARKVARA AS DATA PROCESSOR**

Merit Tarkvara provides a variety of services to our clients. In general, our services involve processing the (personal) data submitted by our clients (e.g. accounting, payroll data that may include personal data). However, in such cases the purposes of processing activities carried out by us are determined by our clients. Therefore, our clients are in the role of Data Controllers. Merit Tarkvara acts as the Data Processor and processes personal data on behalf and according to the instructions of our respective client. Relation between Data Processor and Controllers (i.e. Merit Tarkvara and its clients) is regulated by a relevant data processing agreement.

### **Merit Tarkvara's and Data Controller's obligations**

If our client is in the role of Data Controller, it must establish the legal grounds for processing personal data. In addition, the Data Controller will assess and establish ownership to the risks related to the processing of personal data as well as comply with the duty to inform Data Subjects.

Merit Tarkvara as a Data Processor forms an important aspect of Data Controller's duties since our services form part of the processing of personal data the client must guarantee to be in compliance with the applicable legislation. When Merit Tarkvara processes personal data on behalf of the clients (i.e. acts as a Data Processor) we will do so in accordance with applicable legislation concerning Data Processors.

Overall, Merit Tarkvara and the client acting as Data Controller, will cooperate to ensure the necessary protection for the Data Subject. We will provide to the client information they need to comply with applicable data protection legislation.

## **6. SUBCONTRACTORS AND EXPORTING PERSONAL DATA**

We use subcontractors for processing personal data and accordingly may export Personal Data or our clients' data outside the European Economic Area (EEA). Generally, our subcontractors are providers of cloud services and other IT services.

Merit Tarkvara concludes a Data Processing Agreement (DPA) with all subcontractors to protect Personal Data and fulfil our obligations towards clients. Merit Tarkvara relies the use of the EU Model Clauses to guarantee legal grounds for international transfers of personal data to subcontractors located outside the EEA.

Merit Tarkvara uses the support of third parties with relation to our business processes and provision of cloud services. Amongst them are but are not limited to:

Microsoft Ireland Operations Limited (address: Atrium Building Block B, Carmenhall Road, Sandyford Industrial Estate, Dublin 18, Ireland). In relation to Microsoft Azure cloud services.

More information on our subcontractors may be requested by contacting us using the details in the Contact Details section.

## **7. CHANGES TO THE STATEMENT**

Merit Tarkvara may at any time modify or change this Privacy Statement. If we do that we post the revised Statement here with an updated version date. If we change the Privacy Statement considerably by materially altering our privacy policies we may notify about the changes by email, notices on our website and/or social media pages prior to the application of the new Statement. Nonetheless, we encourage our users to visit this page regularly and review the Privacy Statement for minor amendments as well.

## **8. CONTACT DETAILS**

We care for feedback, opinions and suggestions. In case of any problems, comments or questions about our Privacy Statement please contact us on merit@merit.ee. We can also be contacted via regular mail by writing to us at Parna 1, 48105 Poltsamaa, Estonia or by telephone +372 617 7111.

All communications with us will be handled confidentially. Our representative provide assistance on solving problems and may contact the person who made the request or feedback. We endeavour to resolve all complaints and concerns in a timely and proper fashion.

This Privacy Statement was last updated on [21] May 2021.