



**KB**

# INFORMATION ON THE PROCESSING OF PERSONAL DATA

Dear Madam, Dear Sir

We would like to thank you on behalf of the entire Group of Komerční banka, a.s. (hereinafter the “KB Group”) for your trust and confidence you have expressed by giving your consent with the processing of your personal data by companies of the KB Group for marketing purposes. In the below text, you will find detailed information that are crucial for the understanding of the nature of the consent you have given.

The companies of the KB Group have already processed personal data for marketing purposes, based on clients’ consent. Such a consent is most often given upon the execution of a relevant contract for products or services or of an amendment to such a contract. In view of the fact that the latest EU legislation on data protection has imposed certain new requirements (Regulation (EU) 2016/679), previous consents will not remain in force after 24 May 2018. Therefore, we would like to ask you for a new consent so that we can keep providing you with customized and tailor-made services and products after the above date, without overloading you with information and offers that might not be of any interest to you.

In view of the fact that the new consent will not come into force before 25 May 2018, it will have no effect on any previous marketing consents that we might have obtained from you before its coming into force. This document only contains detailed information concerning the specific aforesaid consent. Comprehensive information about the processing of personal data by member companies of the KB Group, including information on your rights with regard to personal data processing, is included in the relevant documents issued by the KB Group. Specifically, Komerční banka, a.s. (hereinafter “KB”) has made the document titled Information on the Processing of Personal Data available on the KB’s website.

The document answers the following questions:

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## 1. What Kind of Information is processed by the KB Group for Marketing Purposes?

As part of the KB Group policy of transparency, we think it is important that you know exactly how we process your personal data and for which purpose they are used. The data we will process based on your consent will include: your first name and surname, birth number (and also the trade name, company ID/IČO, and registered office address in case of business persons), date of birth, contact data, information about your solvency, creditworthiness and credibility, sociodemographic data, information about your using of products and services, information collected from your applications for products and services, information collected from telephone calls and/or other interaction between you and us, balances in your accounts, transaction data, geolocation data, information collected from an Internet browser you use, and information/data that we process in order to comply with our legal obligations or to pursue our justified interests. We may receive the aforesaid information/data directly from you, from public sources (such as the information about your person you make public on social networks and on the Internet), from polls, surveys and user testing, and/or from collaborating third parties.

The following section describes the specific personal data, including examples:

### Basic identification data

Your personal data such as the first name and surname, birth number, and the date and place of birth (and possibly also the trade name, company ID/IČO, and registered office address if you are a business person) are important for us to be sure we are contacting the right person. In addition to this, we will be happy to use your name when addressing you, like before.

### Contact data

The postal (mailing) address, telephone number and/or electronic mail address are necessary for us to deliver you

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communications. Otherwise you might not learn about our offer, which would be a pity.

## **Sociodemographic data**

These are standard statistical data, such as your age, permanent residence address, gender, marital status (e.g. single, divorced, etc.) level of education, income, etc. As a rule, you disclose these data when starting to use our products, or we deduce them from other available data concerning your person.

## **Connections with other entities**

When applying for a loan/credit, a client is obliged to identify the source of his/her incomes: employees will specify their employer, business persons the name of their enterprise, etc. If you have never applied for a loan/credit with KB, we do not know who employs you or whether you are a self-employer. However, if your salary is credited to an account kept with KB, we are able to identify the source of your income, i.e. your employer or another source. Similarly, if we know that your wife/husband, children or other relatives have their accounts in KB, we try to offer you products suitable for the whole family.

## **Transaction data**

Banking services and payments are the major services we provide to you. Our systems record each single payment you make using your debit/credit card or via Internet/mobile telephone banking, as well as each cash withdrawal at an ATM (whether operated by KB or by other banks). Each transaction also contains additional information, e.g. the transaction amount, the number of the account to which it was credited, the name and number of the merchant's POS terminal through which the payment was made, the merchant's address and possibly GPS coordinates, the date and time of the payment, as well as text comments you can attach to your Internet/mobile telephone banking transaction to singularise them. We can deduce your transaction-linked behaviour from such data, i.e. whether you pay with your card more often than you withdraw cash from ATMs, how often, and where; what your income/salary is and whether it comes from one or several employers; in which shops you shop; how much you pay for your shopping, etc. All this helps us provide you with services that are as accessible and comfortable as possible.

## **Direct channels; data collected from an Internet browser and applications you use**

You may visit our branches/points of sale or access and operate our products via other channels, e.g. Internet banking (MojeBanka, "IB") or mobile telephone banking ("MB"). When logging in, executing transactions, or performing other operations, your PC automatically sends off your IP address. Hence, we can detect the number of the net and subnet in which your computer is located. If you have allowed cookies in your browser, it will send us information about other Internet pages you visit, about user settings stored in your PC, etc. We can also determine the duration of login, what operations you performed in the applications, and what data you filled in the forms, from the logs that record your activities in IB/MB for security reasons. Information about your operation system (e.g. Windows or macOS) and its version, and technical data of devices you use (e.g. the type of your smartphone used for logging into the telephone banking application) help us ensure that our web pages and services will be displayed correctly on your devices. Consequently, we can continuously improve our services and customize them to your technical needs.

## **Information about your using of products and services**

To make our campaigns more targeted, we use information about which of our products you already use, how long you have been using them, under what terms and conditions, if you keep using them, or whether you have cancelled them. We know how often you use payment cards issued by KB and where you pay with them. If you have taken a loan/credit with KB, we can use information about the amount and date of a specific instalment, or about possible late payments. In the Internet/mobile phone banking environment, we collect information about the options you have chosen, i.e. on which boxes you have clicked, what kind of particulars you have filled in the forms, whether you have filled in the forms completely or partly, etc. Further, we know how often you log in the Internet/mobile phone banking application and whether you have performed any operation while logged in (e.g. made a payment or arranged a meeting with your relationship manager) or just have logged off after a while.

## **Interaction with KB Group members**

In order to avoid contacting you several times for the same reason, we keep records of our mutual contacts, specifically of the date (and possibly also the time) of a contact, the reason of the contact, and whether it was initiated by you or by us. This concerns all kinds of contacts, whether over the telephone, by text message, by post/mail, by electronic mail, during a meeting with your relationship manager at our branch/point of sale, or via Internet/mobile phone banking. Whenever we approach you with any offer. We always record your reaction as to whether or not you accepted the offer, so as not to offer you repeatedly any product you have once rejected. To learn more about your needs, we take notes about your conversation with KB relationship managers in a special application.

## **Records of telephone calls**

Whenever you call us or vice versa, we may ask you to agree with the call recording at the beginning of each call. In some other cases we should record our calls in order to comply with our legal obligations, and/or to be able to prove

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that we have followed your instructions or that a relevant contract has been validly executed (or, as the case may be, for other reasons from the category of “justified interests of the administrator” – see below). We will always inform you in advance about such recording. We can also process the recordings for marketing purposes, based on your marketing consent. We use the recordings as follows: we can immediately identify you, we can guess your mood and attitude, and we transcribe the recordings and perform text analysis. Based on the analysis, we take structured notes as to the subject of our conversation and your (lack of) reaction to an offered product, so that you will not have to repeat your reasoning next time.

## **Information collected from social networks**

We use social networks such as Facebook (“FB”) in our marketing campaigns. Even though we do not store the data you post on your profile page, we use them for better targeting of our campaigns through FB. For us, FB is a channel through which we can address our clients, while targeting is an added value. To make a long story short, it works like this: we input your E-mail address into FB and try to match it with your electronic addresses you have published on FB. If the matching is successful, we define further filters for a client in the FB application (e.g. “he/she has a child”, “he/she likes to travel”, “he/she has many friends”, etc.). Consequently, our advertisement is displayed on profile pages of such FB users. The same approach is applied also to other networks, such as LinkedIn or Skype.

## **Geolocation data**

Information on payments made with KB payment instruments (credit/debit card, via Internet/mobile telephone banking) contains also the so-called geolocation data. These data precisely identify the GPS coordinates (or an address point) of a specific transaction depending on a physical location of the relevant merchant’s payment terminal. We read your login position from the logs sent to Internet/mobile telephone banking.

## **Information concerning your creditworthiness and credibility**

If you ask for any credit instrument, we are required by law to verify your creditworthiness and credibility in relevant registers. This information, along with that stored in our systems (such as your transaction data) are used for calculating your creditworthiness or ability to repay your debts. Based on these data, we can calculate the so-called credit facility (limit), i.e. the maximum amount we can lend you under a relevant credit product. Consequently, we will, or will not provide you with the loan/credit.

## **External sources**

Since our own data are not sufficient in terms of targeting, we sometimes use information from external sources so that we can be sure that our offer will suit you. Such sources include, above all, public registers, e.g. the Trade/Commercial Register, Register of Business Entities, Register of Debtors, Registers of Professionals, etc.

## **Polls, surveys and user testing**

Whenever we prepare a new product, if we wish to know our clients’ opinion on our existing products or advertisements, or find out what kind of services would be appreciated, we ask our clients directly, carrying out polls and surveys. Thus we receive averaged outputs representing an entire group of informants, not individual responses; however, we also get inspired by particular answers. Developing new services (e.g. mobile telephone banking) has been a different story: we have asked our clients how they liked new versions of the application and also have performed the so-called user testing to find out whether the application is attractive and easy to operate.

## **Data and information we process in order to comply with our legal obligations**

These are the data we primarily have to collect, evaluate, and store for a given period of time in order to comply with our legal obligations. This is, in particular, the obligation to archive data pursuant to a range of laws that govern business activities or the collecting and evaluating of data to prevent money laundering (e.g. KYC – “Know Your Client”), and other laws. Such data may concern, without limitation: the source and origin of your income, capital interconnection, nationality/citizenship, permanent residence address, fields of activities, political affiliation, etc. Based on your marketing consent, we can process the aforesaid data also for marketing purposes.

## **Data and information we process in order to pursue our justified interests**

These are the data we primarily process in order to pursue our justified interests. Typically, such data are used for securing safe usage of our products and services, for the purpose of risk management, evaluating clients’ credibility and creditworthiness, detection and prevention of frauds, etc. Based on your marketing consent, we can process the aforesaid data also for marketing purposes.

## **2. Where Does the Information Come from?**

The data processed based on your consent come from different sources. In most cases, they are provided directly by a client. It is not unusual, though, that the members of the KB Group create data for further processing by themselves (ratio indicators, analyses, reports, etc.). Besides, we also use other information about clients from public sources (e.g. public registers and databases, Internet applications, social networks, or other public sources of information) or from collaborating third parties. All such data and information are processed jointly by the KB Group

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and respective administrators may hand them over to each other. Actually, it means that a piece of information you have disclosed to a KB relationship manager will be available to other administrators, such as MPSS, for marketing purposes. Please note that we share the publicly accessible information concerning your person with all other members of the KB Group.

## 3. For Which Purpose Are You Giving Your Consent?

The purpose of the processing of personal data is offering products and services provided by the members of the KB Group and by collaborating third parties, possibly also via electronic channels, as well as marketing processing, analysing, and profiling, with the aim of make our offer fit to your expectations and improve our services.

First and foremost, we process our clients' personal data so that we can offer fitting products and services provided by the members of the KB Group and by collaborating third parties. Since we do not wish to bother our clients by pointless or improper communication, we exploit the collected data in order to know your needs and be able to supply suitable solutions, starting from credit instruments and payment instruments, to service communication, a satisfaction survey, or a birthday congratulation.

We communicate with you via a wide range of communication channels, such as ordinary letters, telephone calls, text messages (SMS), ATM messages, and messages (or pop-up windows) in Internet/mobile phone banking applications.

Due to the information about using our products and services, we can follow and continuously enhance their quality, thus keeping the trust of our clients. Further, we process our client's personal data to support business decisions, identify business potential, assess the risk profile of individual clients, establish his/her creditworthiness, and set up the investment profile.

Before being used, the data is processed. The marketing processing, which is primarily applied to it, includes statistic and mathematic analysis performed with an aim of getting insight in the client's behaviour and estimating his/her future actions or business potential, profiling of a client, segmentation, reporting, etc. The data can be processed either manually or automatically.

The collaborating third parties are the companies whose products we offer to you even though they are not members of the KB Group. One of them is Investiční kapitálová společnost, a.s. – Company ID/IČO: 60196769, a member of the Amundi Group, which provides investments solutions to its European and Asian clients. Another one is Česká pojišťovna, a.s. – Company ID/IČO: 45272956, a company through the mediation of which we provide our clients with compulsory motor third part liability insurance and "motor insurance policies.

## 4. To Whom Are You Giving Your Consent?

You are giving your consent to the following companies (referred to jointly as the "KB Group"):

- Komerční banka, a.s. - Company ID/IČO: 45317054,
- Modrá pyramida stavební spořitelna, a.s. - Company ID/IČO: 60192852,
- Komerční pojišťovna, a.s. - Company ID/IČO: 63998017,
- KB Penzijní společnost, a.s. - Company ID/IČO: 61860018,
- ESSOX s.r.o. - Company ID/IČO: 49062441,
- PSA Finance Česká republika, s.r.o. - Company ID/IČO: 26737442,
- ALD Automotive s.r.o. - Company ID/IČO: 61063916,
- SG Equipment Finance Czech Republic s.r.o. - Company ID/IČO: 61061344,
- Factoring KB, a.s. - Company ID/IČO: 25148290.

Pursuant to applicable law, the Personal Data Administrator is each entity that defines the purpose and means of processing personal data, and collects, processes and keeps the data for a defined purpose.

All the aforesaid companies act as so-called joint administrators of your personal data and therefore may share and process the data referred to in you consent for the purposes specified therein.

When giving your consent, or thereafter, you will not be allowed to choose to which company your consent applies and to which it does not. For this reason, if you should disagree with an inclusion into your consent of any of the joint administrators, we will proceed as if you failed to give or, as the case may be, withdrew your consent.

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## 5. Who Can Process Your Data?

The rules of regulation governing the processing of personal data allow the administrator to commission a processing entity to process the personal data. The "processing entity" means any entity that processes the personal data pursuant to specific law, authorisation, or approval. This approach is sometimes employed also by the members of the KB Group when processing personal data for marketing purposes. In such cases, the protection of your data is guaranteed, both contractually and in terms of regulatory law, to the same extent as if the data were processed by the KB Group members. The major entities authorised by the member companies of the KB Group to process the personal data for marketing purposes are:

- IPSOS s.r.o. (Company ID/IČO: 26738902, Topolská 1591, 252 28 Černošice)
- GfK Czech s.r.o. (Company ID/IČO: 15271757, Na hřebenech II, 147 00 Praha)
- NMS Market Research s.r.o. (Company ID/IČO: 25749315, U Nikolajky 1070/13, 150 00 Praha)
- Dateio s.r.o. (Company ID/IČO: 02216973, Beniškové 1285/7, 150 00 Praha)
- MasterCard Europe SA, organizační složka (Company ID/IČO: 69345724, Na poříčí 1079/3a, 110 00 Praha)
- Tiskové a obálovací centrum s.r.o. (Company ID/IČO: 27174212, Dolnoměcholupská 209/17, 102 00 Praha)
- Etnetera, a.s. (Company ID/IČO: 25103814, Jankovcova 1037/49, 170 00 Praha)
- Cleverlance Enterprise Solutions a.s. (Company ID/IČO: 27408787, Dukelských hrdinů 564/34, 170 00 Praha)
- Trask solutions, a.s. (Company ID/IČO: 62419641, Na Pankráci 1724/129, 140 00 Praha)
- IBM Česká republika s.r.o. (Company ID/IČO: 14890992, V parku 2294/4, 148 00 Praha)
- MONET+, a.s. (Company ID/IČO: 26217783, Za Dvorem 505, 763 14, Zlín – Štípa)
- Mediální agentura PHD, a.s. (Company ID/IČO: 26210738, Lomnického 1705/5, 140 00 Praha)
- FUSE s.r.o. (Company ID/IČO: 25119664, Nádražní 772/54, 150 00 Praha)
- RESOLUTION, s.r.o. (Company ID/IČO: 26766744, Žerotínova 1902/48, 130 00 Praha)
- Omnicom media group, s.r.o. (Company ID/IČO: 27566242, Lomnického 1705/9, 140 00 Praha)

## 6. How Long Will We Keep the Personal Data?

You will give your consent to the member companies of the KB Group only once. The consent will remain valid, effective and in force throughout the duration of a contractual relationship between you and at least one of the member companies of the KB Group, plus subsequent 12 months, or until you withdraw your consent.

If you fail to become our client (i.e., no contractual relationship is created between you and a member of the KB Group), your consent will remain in force for 12 months from the date of its awarding. When the validity and effectiveness of your consent expires, your personal data will be deleted or, if still processed, they will only be processed for such purposes where no consent is required by law.

## 7. How Can You Withdraw Your Consent?

Your consent is voluntary. You may refuse to consent to the data processing or withdraw your consent at any time by notifying any of the member companies of the KB Group. If you refuse to give your consent or if you withdraw it, it will have no effect on any contractual relationship between you and any member company of the KB Group or on using its products and services that do not require such a consent. You can withdraw your consent at branches/points of sale of the KB Group distribution network. If you withdraw your consent with respect to one member company of the KB Group, such a withdrawal will inevitably apply also to the KB Group's other members; consequently, none of them will be allowed to process your personal data for the purposes specified in your consent after the date of withdrawal.

As soon as you withdraw your consent, we will assume that you no longer wish us to process your personal data for marketing purposes, notwithstanding any previous marketing consents that you might have awarded before or possibly any specific marketing consents, which we will consider withdrawn as well.

## 8. What Are Your Legal Rights with Respect to Personal Data Processing?

You have a right to ask us for information on your personal data that we process, their purpose, nature, and recipients. If you find out or deem that we process your personal data in contradiction with the protection of your private and personal life or with the law, you will be entitled to an explanation or you may demand that such a member of the KB Group should put things right. You will also be entitled to turn to the Office for Personal Data Protection with a request for remedy.