



**JSC „LPB Bank”
Personal Data Processing Policy**

Version 4

Riga, 27.04.2018.

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APPROVED

JSC „LPB Bank”

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JSC „LPB Bank” Personal Data Processing Policy

1. Terms and Abbreviations

- 1.1. **Compliance Laws, Rules and Standards** – laws and other legal acts governing Bank’s activities, standards determined by self-regulating institutions related to the Bank’s activities, codes of professional conduct and ethics, and other best practice standards related to Bank’s activities.
- 1.2. **Bank** – JSC “LPB Bank”.
- 1.1. **Employee** – person in actual employment relationship with the Bank on the basis of employment contract, or other legal business agreement, including Board Members and Council Members of the Bank.
- 1.3. **Data subject** – an identified or identifiable natural person which can be identified directly or indirectly.
- 1.4. **Consent of the data subject** – a written freely given, specific, informed and unambiguous indication of the data subject’s agreement, including a statement or a clear affirmative act, to the processing of personal data relating to him or her. If it is not possible to receive the consent in writing, the consent shall be expressed by concludent actions and recorded by technical means (in case of telephone conversations by a warning given concerning data processing after which the data subject continues or terminates the telephone conversation; in case of video surveillance by a visual warning of video surveillance, after which the data subject enters or does not enter into the area covered by the video surveillance).
- 1.5. **Internal Regulatory Documents** – documents issued by the Bank and governing the activities of the Bank and certain its structural units or employees, for example, policies, procedures, regulations, and instructions.
- 1.6. **Beneficial owner** – a natural person who is the owner of the customer, legal person, or who controls the customer, or on whose behalf, for whose benefit, or in whose interests business relationship is established or an Occasional transaction is executed, and it is at least:
 - a) regarding legal persons – a natural person who owns, in the form of direct or indirect shareholding, more than 25 per cent of the capital shares or voting stock of the legal person or who directly or indirectly controls it;
 - b) regarding legal arrangements - a natural person who owns or in whose interests a legal arrangement has been established or operates, or who directly or indirectly exercises control over it, including who is the founder, proxy or supervisor (manager) of such legal arrangement.

- 1.7. **Identity document(s)** – passport or ID card of the Customer/Customer’s representative.
- 1.8. **Personal data** is any information regarding an identified or identifiable natural person (“Data Subject”); an identifiable natural person is a person who can be identified directly or indirectly, in particular by reference to an identifier such as name, identification number, location data, online identifier, or a reference to one or more elements specific to the physical, physiological, genetic, mental, economic, cultural, or social identity of that natural person.
- 1.9. **Personal data processing** – any operation or a set of operations which is performed on personal data or on sets of personal data, whether or not by automated means, such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.
- 1.10. **Personal data controller** – the natural or legal person, public authority, agency or other body which, alone or jointly with others, determines the purposes and means of the processing of Personal Data.
- 1.11. **Personal data processor** means a natural or legal person, public authority, agency or other body which processes personal data on behalf of the controller.
- 1.12. **Personal data recipient** means a natural or legal person, public authority, agency or other body to which Personal Data is disclosed – regardless of whether it is the third party or not. However, public authorities that may receive Personal Data in relation to a particular investigation in accordance with the laws of the European Union or the Member State, shall not be considered recipients; processing of the mentioned data performed by the mentioned public authorities correspond to the applicable data protection provisions in accordance with the purposes of processing.
- 1.13. **Public registers** – registers which by a law or regulation have been assigned the public credibility principle and which are used for obtaining publicly credible information; these are the Population Register of the Republic of Latvia; Invalid Documents Register; Punishment Register, etc. Registers available to the Bank.
- 1.14. **Policy** – Bank’s Personal Data Processing Policy.
- 1.15. **Third party** – a natural or legal public authority, public authority, agency or structure, other than the data subject, controller, processor and persons who, under the direct authority of the controller or processor, are authorised to process personal data
- 1.16. **General Data Protection Regulation** - REGULATION No. 2016/679 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL (EU) of 27.04.2016. on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).

2. Purpose

The purpose of the policy is to define the liability of the Bank in personal data processing and to determine the procedures whereby the Bank ensures compliance with the Compliance Laws, Rules and Standards governing the personal data processing.

3. General Provisions

- 3.1. The Bank organises processing of Personal Data in accordance with the General Data Protection Regulation and other Compliance Laws, Rules and Standards governing this area, ensuring that the Personal Data are:

- 3.1.1. processed lawfully, fairly and in a transparent manner in relation to the data subject ('lawfulness, fairness and transparency');
- 3.1.2. collected for specific, clear and legitimate purposes, and further processing of the data is not performed in the way that is not compliant with the mentioned purposes;
- 3.1.3. adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed ('data minimisation');
- 3.1.4. accurate and, where necessary, kept up to date; every reasonable step must be taken to ensure that Personal Data that are inaccurate, having regard to the purposes for which they are processed, are erased or rectified without delay ('accuracy');
- 3.1.5. kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the Personal data are processed ('storage limitation');
- 3.1.6. processed in a manner that ensures appropriate security of the Personal Data, including protection against unauthorised or unlawful processing and against accidental loss, destruction or damage, using appropriate technical or organisational measures ('integrity and confidentiality').
- 3.2. The Board of the Bank shall be responsible for implementation of the fundamental principles for Personal Data processing defined in Clause 3.1 of the Policy.
- 3.3. The Policy is binding to all employees of the Bank, including Employees of its territorial structural units and involved Employees, as well as agents of the Bank, etc. third parties, for example, outsourced service providers of the Bank the activity of which is or may be related to the processing of Personal data in the interests of the Bank.
- 3.4. The Policy is revised at least once a year to ensure its topicality and compliance with changes in the Bank's activities and external circumstances affecting the Bank's activities, or after the introduction of amendments to Compliance Laws, Rules and Standards that govern the Personal data processing. Necessary changes to the Policy are approved by the Council of the Bank.
- 3.5. In fulfilling requirements set forth in the Policy, the structural units and Employees of the Bank have to observe both Internal Regulatory Documents and Compliance Laws, Rules and Standards binding to the Bank.
- 3.6. In fulfilling requirements set forth in the Policy, the structural units and Employees of the Bank have to ensure the fulfilment of their duties to the extent and of the quality to prevent the Bank from violating requirements set forth in Internal Regulatory Documents and Compliance Laws, Rules and Standards binding thereto as the result of fulfilment of work duties.

4. Types of Personal Data

- 4.1. The Bank processes the following Personal data:
 - 4.1.1. processing of Personal Data related to the customers of the Bank – Personal Data are obtained from the customers, their representatives, represented persons, Beneficial Owners and other Third Parties related to the Bank's customers;
 - 4.1.2. processing of Personal Data related to the Employees – Personal Data is obtained from the current and potential employees of the Bank, their former employers, with a written consent of a Data Subject;
 - 4.1.3. Processing of Personal Data unrelated to the Bank's customers – Personal Data obtained from the video surveillance equipment located in the premises of the Bank and outside the premises; from recordings of the telephone conversations performed by natural persons who call to the Bank's telephone numbers; as well as from supervisory

and law enforcement authorities (sworn bailiffs, sworn notaries, State and Municipal Police, Financial and Capital Market Commission, State Revenue Service, Prosecutor General's Office, Office for Prevention of Laundering of Proceeds Derived from Criminal Activity) and other institutions to which the Bank provides information pursuant to the Credit Institutions Law and other Compliance Laws, Rules and Standards, when receiving the requests for information on natural persons that are not customers of the Bank.

- 4.2. Categories of the Personal Data may be as follows:
 - 4.2.1. identification data, e.g., name, surname, personal identity number, date of birth, identity document data (for example, a passport, ID card);
 - 4.2.2. contact information, e.g., address, telephone number, e-mail address;
 - 4.2.3. family and household data, e.g., family members, income level, dependent persons;
 - 4.2.4. financial data, e.g., accounts, ownership, transactions, loans, income, liabilities;
 - 4.2.5. professional data, e.g., occupation, income sources, CV;
 - 4.2.6. publicly available information, e.g., from public registers, databases;
 - 4.2.7. data obtained in the course of fulfilling the obligations pursuant to laws and regulations, e.g., data received from investigation authorities, tax administration authorities, courts.
- 4.3. Personal Data obtained and processed by the Bank are listed in the List of Personal Data. Board of the Bank is responsible for the development and maintenance of the List of Personal Data, and it is confirmed by the Council of the Bank.
- 4.4. The Bank may also perform processing of Personal Data categories not mentioned in Clause 4.2 if it is organised in accordance with the requirements Compliance Laws, Rules and Standards governing the processing of Personal Data.

5. Purposes of Personal Data Processing

- 5.1. The Bank performs processing of the Personal Data for the following purposes:
 - 5.1.1. Provision of banking services to the customers (e.g., customer identification, provision of account servicing/ payment service provision, ensuring services of the Internetbank, provision of crediting services, performance of obligations pursuant to the laws, etc.);
 - 5.1.2. risk assessment and prevention in transactions with customers (e.g., the Bank's risk management, assessment of creditworthiness of the customers and other persons, prevention and discovery of fraud cases, etc.);
 - 5.1.3. personnel management purposes (e.g., personnel selection, conclusion and performance of the employment contract, provision of salary calculation and salary payment, etc.);
 - 5.1.4. performance of economic and administrative activities (e.g., ensuring safety in the premises of the Bank, protection of the property, performance of the obligations under the laws, etc.).
- 5.2. The Bank may also perform processing of Personal Data for the purposes not mentioned in Clause 5.1 if it is organised in accordance with the requirements Compliance Laws, Rules and Standards governing the processing of Personal Data.

6. Personal Data Security

- 6.1. The Bank ensures an appropriate level of protection for the Personal Data and undertakes all necessary technical and organisational measures to prevent unauthorised access, processing or other activities with the Personal Data that causes or may cause a threat to confidentiality, or otherwise is contrary to the requirements of the Compliance Laws, Rules

and Standards governing the area.

- 6.2. Technical and organisational measures for the protection of the Personal Data at the Bank are defined by the internal regulatory documents, incl. the Banks Information System Safety Policy.

7. Accuracy and Correctness of Personal Data

The Bank ensures accuracy and correctness of the Personal Data by organising timely updating, correction or deletion of the Personal Data in accordance with the requirements of the internal regulatory documents if it is found that the Personal Data are incomplete or inaccurate in accordance with the purpose of the Personal Data processing.

8. Obtaining the Personal Data

- 8.1. The Personal Data is obtained by the Bank via contracts, applications and questionnaires, by telephone, from video surveillance equipment, by e-mail and other means of communication, as well as orally – during negotiations and interviews.
- 8.2. When obtaining the Personal data, the Bank informs the Data Subject that the Personal Data provided by them will be processed, received permission of the Data Subject, as well as provides the following information to the Data Subject in accordance with the procedures and scope laid down in the Compliance Laws, Rules and Standards governing the processing of personal data if requested by the Data Subject or the person entitled to request information:
 - 8.2.1. name and address of the Bank and the Personal Data Processor;
 - 8.2.2. intended purpose and basis for the processing of Personal Data;
 - 8.2.3. possible recipients of the Personal Data;
 - 8.2.4. the rights of the Data Subject to access their Personal Data and to make corrections therein;
 - 8.2.5. information on whether provision of a reply by the Bank is mandatory or voluntary, as well as possible consequences should the Bank not provide a reply.

9. Access to Personal Data, Corrections Thereof

- 9.1. The Bank ensures the rights of a Data Subject to obtain:
 - 9.1.1. all information that has been obtained on him/her in any information system of the Bank unless Compliance Laws, Rules and Standards governing the area that are binding to the Bank prohibit disclosure of this information (e.g., The Law on Prevention of Money Laundering and Terrorism Financing, Credit Institutions Law, etc.);
 - 9.1.2. information on those natural or legal persons who within a particular period have received information on the particular Data Subject from the Bank unless Compliance Laws, Rules and Standards governing the area that are binding to the Bank prohibit disclosure of this information (e.g., The Law on Prevention of Money Laundering and Terrorism Financing, Credit Institutions Law, etc.). When ensuring the above-mentioned rights to the Data Subject, the Bank in its actions complies with the requirements of the binding Compliance Laws, Rules and Standards;
 - 9.1.3. all available information on a data source if the Personal Data are not collected from the Data Subject unless Compliance Laws, Rules and Standards governing the area that are binding to the Bank prohibit disclosure of this information (e.g., The Law on

Prevention of Money Laundering and Terrorism Financing, Credit Institutions Law, etc.);

- 9.1.4. information on purposes of processing, and, where possible, the envisaged period for which the Personal Data will be stored, or, if not possible, the criteria used to determine that period;
- 9.2. Data Subject is entitled to request that their Personal Data are supplemented or corrected, as well as processing thereof is terminated or data deleted if the Personal Data are incomplete, obsolete, untrue, illegally processed or are no longer necessary for the initial purpose of collection thereof.
- 9.3. From the date of receipt of the request mentioned in Clause 9.2 the Bank shall within 1 (one) month provide to the Data Subject a written reasoned reply on examination of the request.
- 9.4. In case of a justified request by the Data Subject, the Bank shall organise immediate prevention of the specific shortcomings or violations, as well as shall inform the Third Parties that have previously received the processed data.

10. Addressees

10.1. Direct addressees:

- 10.1.1. Security Department;
- 10.1.2. Head of the IT Security Division of the Security Department.

10.2. Indirect addressees:

- 10.2.1. all Employees.

11. Related Documents

- 11.1. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).
- 11.2. Credit institutions Law.
- 11.3. Labour Law.
- 11.4. Law on Personal Identification Documents.
- 11.5. Personal Data Protection Law (after 25.05.2018. Law on Personal Data Processing).
- 11.6. Regulations No. 112 of 07.07.2015. of the Financial and Capital Market Commission on “Regulations on Information Systems Security of the Participants of Financial and Capital Market”.
- 11.7. Cabinet Regulations No. 40 of 30.01.2001. “Mandatory Technical and Organisational Requirements for Personal Data Protection”.
- 11.8. External Services Policy of the Bank.
- 11.9. Information Systems Security Policy of the Bank.
- 11.10. Outsourcing Procedure of the Bank.
- 11.11. Procedure of the Access Rights Management of Information Systems of the Bank.