

PERSONAL DATA PROTECTION POLICY

Introduction

HALKBANK a.d. Beograd, with the registered seat in Belgrade, Milutina Milankovića 9e, (hereinafter: **Bank**) takes the protection of the personal data serious and it is determined to strictly comply with all the applicable laws that regulate privacy issues, including but not limited to the Law on Personal Data Protection ("Official Gazette of the Republic of Serbia", No 87/18, hereinafter: LPDP), which will start with implementation from August 21st, 2019.

This Policy provides an extensive overview of the personal data processing activities organized by the Bank, as well as all information relevant for such personal data processing, including, but not limited to:

- The overview of Bank business activities relevant for the personal data processing;
- The most significant definitions that could be found in this Policy;
- The type of personal data (as any information relating to an identified or identifiable natural person) that Bank collects and processes;
- The categories of natural persons (Data Subjects) which personal data are collected and processed;
- Manner of the personal data collection and processing activities;
- Purpose of processing;
- Legal basis for processing;
- Other parties that might have access to personal data;
- Data subject's rights;
- Personal data safeguards;
- Contact details of the Data Protection Officer – DPO;
- The usage of cookies;
- Other important information in relation to the personal data protection.

Basic Information on the Bank

The Bank is a joint-stock company with the seat in the Republic of Serbia, with an operating license of the National Bank of Serbia and performs deposit and credit operations, but it can also carry out other banking operations in compliance with regulations.

The Bank performs the following operations in compliance with Law:

- 1) deposit activities (accepting and placing deposits);
- 2) credit activities (granting and taking credits);
- 3) foreign exchange operations, foreign currency operations and exchangetransactions;
- 4) activities regarding payment operations;
- 5) issuing payment cards;
- 6) activities regarding securities (issuing securities, custody bank activities etc.);
- 7) issuing guarantees, sureties and other types of warranties (guarantee operations);
- 8) purchase, sale and collection of receivables (factoring, forfeiting etc.)

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- 9) insurance agency activities with prior consent by the National Bank of Serbia;
- 10) activities for which it is authorized by Law;
- 11) other activities which are essentially similar or connected to activities specified in items 1) to 11) of this paragraph and are in accordance with founding act and articles of the Statute.

The Bank primary duty is to create products that will completely fulfil expectations of Bank's clients. The Bank is extremely proud of fast and high quality products and services which bank consider to be their brand and virtue that distinguish them from others.

All the aspects of the Bank's work in some extent depends of the certain level of personal data processing.

The Bank collects and process the personal data of Bank's clients and employees. Besides that, the video surveillance footage and records might contain the personal data (photo or video record) of the natural person which can be collect and process even when a natural person is visiting the website of the Bank.

The Bank also uses all the modern channels of communication with its clients and general public, such as social networks. In some extent, the personal data could be found also on such channels of communications as explained below.

Definitions

For the purposes of this Policy the following terms shall have the following meaning:

- Personal data means any information which makes the data subject identifiable as well as other data which is connected to such information;
- Data Subject means the identifiable natural person, i.e. the individual that is the holder of the certain personal data;
- Data Controller means the Bank, which determines the purpose and organizes the processing of personal data;
- Data Processor means any entity which performs certain personal data processing activities on behalf of the Bank;
- Data Processing means any operation performed on personal data, including but not limited to the collection, transmission, storage, and other use of personal data (hereinafter: processing);
- Data Protection Authority means Commissioner for Information of Public Importance and Personal Data Protection.

All other definitions which are not explicitly mentioned in this section but used in this Policy shall have the same meaning as in the LPDP. In case of any discrepancy between the definitions explained in this section and definitions explained in LPDP, the LPDP definitions shall prevail.

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Principles of personal data processing

The Bank is obliged to respect all the general principles set in LPDP, i.e:

- Each data processing must be lawfully, fairly and transparent (lawfulness, fairness and transparency), which, inter alia, means that:
 - each personal data processing is based on adequate legal basis (depending on the purpose of each data processing and data subject category),
 - the Bank collects and processes the personal data in fair manner, i.e. in the manner that it always respects the data subject rights, as well as its obligations prescribed by LPDP,
 - each data subject is properly informed by all the important aspects of the data processing, in clear and understandable manner and that this Policy is published and available to all data subjects. The Bank is always ready to provide all the information relevant to the data subjects;
- Personal data is collected and processed for specified purposes which are legitimate in a manner that is compatible to such purposes (purpose limitation);
- Personal data processing is relevant and limited to what is necessary for particular purpose (data minimization);
- The collected personal data that is processed is kept accurate (as provided by the data subject), and, where necessary, kept up to date (data accuracy);
- The personal data is stored only for the period necessary for the fulfillment of particular purpose (storage limitation);
- The processing is performed in a manner that adequately ensures security of the personal data, including the protection against unauthorized or unlawful processing and against accidental loss, destruction or damage, by implementation of appropriate technical, organizational and personnel measures to ensure such protection (integrity and confidentiality).

Types of Personal Data and Categories of Data Subjects

The Bank process the following types of data, depending of the data subject categories:

- From the employees, it collects and processes the personal data that are prescribed by the Serbian employment legislation, including, but not limited to the Employment Law, the Law on Data Bases concerning the Employment relations, as well as the laws related to the mandatory social and health insurance and in specific cases that are prescribed by the regulations regulating operation of banks. Such processing is necessary for compliance with a legal obligation to which the Bank is subject, within the meaning of the Article 12 Paragraph 1 Point 3) of LPDP;

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- From the candidates for employment, it collects and processes the CV, name and surname, candidate's photo, as well as contact details such as phone, e-mail etc. The legal basis for such processing is the informed consent of the data subject within the meaning of the Article 12 Paragraph 1 Point 1) of the LPDP or the request of the data subject prior to entering into a contract within the meaning of the Article 12 Paragraph 1 Point 2) of the LPDP.
- From the clients, it collects and processes the personal data that are necessary in order to take steps at the request of the data subject prior to entering into a contract (pre-contractual stage), personal data that are necessary for the performance of a contract to which the data subject is party (contractual stage) as well as personal data which are necessary for compliance with a regulations to which the Bank is subjected to, including Law on the Prevention of Money Laundering and the Financing of Terrorism and Law on the Protection of Financial Service Consumers (post contract stage). Such processing is necessary for the performance of a contract to which the data subject is party or in order to take steps at the request of the data subject prior to entering into a contract within the meaning of the Article 12 Paragraph 1 Point 2) of LPDP or it is necessary for compliance with a legal obligation to which the Bank is subjected within the meaning of the Article 12 Paragraph 1 Point 3) of LPDP;
- From the users of Bank's official web site, Bank collects and process the personal data, i.e. name and surname, user name and password. The legal basis for such processing is the informed consent of the data subject within the meaning of the Article 12 Paragraph 1 Point 1) of the LPDP;
- From the visitors of the Bank, Bank collects and process the name and surname, personal ID Number, Number of ID document, the company that data subject represents, photo or video record that might contain personal data (image of data subject). The legal basis for such processing is the informed consent of the data subject within the meaning of the Article 12 Paragraph 1 Point 1) of the LPDP;
- From data subject that communicate with the Bank, Bank collects only name, surname and personal data which Data Subject shares with the Bank. The legal basis for such processing is the informed consent of the data subject within the meaning of the Article 12 Paragraph 1 Point 1) of the LPDP;
- From Data Subject recorded by the video surveillance, Bank collects and process the personal data (footage and video records) by which Data Subject could be identified. The legal basis for such processing is legitimate interests pursued by the Bank, within the meaning of the Article 12 Paragraph 1 Point 6).

Manner of personal data processing and data processing activities

The manner of the personal data collection, as well as other type of processing, depends on the particular purpose of such collecting.

Usually the data is collected directly from the data subject (e.g. via loan application or other services which the Bank is providing, via social networks, through job applications, by e-mail etc.). If the data is collected indirectly, the Article 24 of the LPDP applies.

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Bank is performing the following processing activities: collection; recording; structuring; storage; adaptation or alteration; use; erasure; other processing activities which are necessary for the fulfillment of the particular purpose.

Purpose of Personal Data Processing

Bank uses the personal data for following purposes:

- Fulfilling of the legal obligations (related to the employees, and other data subjects in the extent prescribed by the law);
- Preparation, conclusion and enforcement of the contract (related to the candidates for employment, clients);
- Securing and collection of Bank's receivables (customers/clients, guarantors, substitute debtors, mortgage debtors, owners of the property under pledge, etc.);
- For the purposes of physical protection of the business property, business premises and keeping of the safe environment for the employees, in a manner that the fundamental rights of data subjects are protected (video surveillance, identification etc.);
- Communication with Data Subjects on their request (Q&A, related to the data subject that communicate with the Bank, by email, call etc.);
- The data analytics (i.e. profiling users of Bank's web presentation or Bank's pages on social networks);
- Improvement of the Bank's activities, based on the client's feedback (related to all data subjects except the employees and candidates for employment);
- Creation and management of the online profiles (for the participants of the users of the Bank's internet portal);
- Sending the information on Bank's activities and new offers (Newsletter and other similar promo material – for Clients, Newsletter Subscribers and other data subjects that provide informed consent).

Legal Basis

Bank is collecting and processing the personal data providing that such collection and processing is based on the appropriate legal basis. Depending on the purpose of the collection and category of data subjects processing of the personal data should be performed based on the:

- Informed consent of the data subject (Article 12 Paragraph 1 Point 1) of the LPDP), prior notice of such subject on all relevant aspects of the personal data processing. The consent is freely given, specific, informed and unambiguous, and could be withdraw at any time. Withdrawal

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leads to the cease of any further processing activity, considering that the data processing occurred before the withdrawal remains valid;

- Compliance with a legal obligations (Article 12 Paragraph 1 Point 3) of the LPDP). The Bank as a financial institution is obliged to comply with the regulations governing this type of business activity. Bank processing personal data in this purpose, solely in the extent necessary for the fulfilling of such obligations, provided that all the necessary measures are taken in order that the access to the personal data is enabled only to the authorized persons and state bodies;
- Performance of a contract, i.e. for the preparation of the conclusion of such contract (Article 12 Paragraph 1 Point 2) of the LPDP), only in the extent necessary for such purpose;
- Protection of the legitimate interests of the Bank or third parties (Article 12 Paragraph 1 Point 6) of the LPDP) Bank, as an exception, is processing the personal data in order to pursue the legitimate interest (i.e. physical protection of the business property, business premises and keeping of the safe environment for the employees, in a manner that the fundamental rights of data subjects are protected - video surveillance, identification etc.).

Other Parties

Personal data could be shared with the:

- Members of the HALKBANK group;
- The Bank's partners;
- Physical security companies;
- Companies that make the software for the personal data processing;
- Companies that maintains the Bank's information systems;
- Hosting companies (specialized companies enabling that web site to be viewed on internet);
- Other natural person and legal entities that fall under category of the Data Processor, Data Recipient or Data User, pursuant to the applicable laws and regulations;
- Relevant state authorities.

All the above parties are obliged to implement the data protection safeguards, pursuant to the applicable laws, this Policy and other acts of the Bank.

Some of the mentioned parties that might have access to the personal data, fall under the category of the Data Processors. The Bank has contracts with all the Data Processors in order to comply with the LPDP. The Bank remains responsible of any data processing activities performed by Data Processors.

The data processing activities are in most of the cases provided by the processors that performs their business activities at locations in Serbia. However, some of the data processing activities might be provided by the processors incorporated and active in EU or third countries (including some of the members of the HALKBANK group).

The transfer to such countries is performed:

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- Based on adequacy decision for the EU/EEA countries pursuant to the Article 64 of the LPDP. The cross-border transfer to these countries is free (without pre-approval from the Data Protection Authority) pursuant to the Article 64 Paragraph 2 of the LPDP;
- Based on adequate guarantees pursuant to the Article 65 Paragraph 2 Point 2 of the LPDP, i.e. based on the agreement (Data Transfer Agreement) that incorporates standard data protection clauses adopted by Data Protection Authority.

Personal data might be shared with the public bodies if that is necessary for fulfilment of the Bank's legal obligations, providing that the usage of the personal data by the public bodies is limited to the minimum necessary to comply with concrete legal requirement.

Data Subject's Rights

Data subject may be entitled to a following rights:

- Right to be informed about the personal data that is processed (Article 23 of the LPDP);
- Right to access to the personal data processed, right of the data subject to request the Bank to provide information whether his/her personal data are being processed, and what is the processing purpose. In case of such request, the Bank is obliged to deliver the copy of the personal data which is processed to Data Subject in accordance with Article 26 of the LPDP;
- Right to rectification, right of the data subject to obtain the rectification of his/her inaccurate personal data without delay (Article 29 of the LPDP);
- Right to erasure (Right to be forgotten), right of data subject to request the erasure of the personal data if the conditions from the Article 30 of the LPDP are fulfilled;
- Right to restriction of processing, right of the data subject to request the restriction of processing, if conditions from Article 31 of the LPDP are fulfilled;
- Right on data portability, right of the data subject to receive his/her personal data, in a structured, commonly used and machine-readable format, as well as the right to transfer such data to another Data Controller (Article 36 of the LPDP);
- Right to object, right of the data subject regarding the possibility to object at any time to the processing of his/her personal data, pursuant to the Article 37 of LPDP;
- Rights in relation to the automated individual decision-making, including profiling, right of the data subject not to be subject to a decision based solely on automated processing, including profiling, pursuant to the Article 38 of the LPDP;
- Right to be informed in case of data breach, right of the data subject to be informed about data breach if it is likely to result in a high risk to the rights and freedoms of natural persons pursuant to Article 53 of the LPDP;

- Right to address to the Data Protection Authority;
- Other rights prescribed by the LPDP.

Contact details of the Serbian Data Protection Authority:

Commissioner for Information of Public Importance and Personal Data Protection

Bulevar Kralja Aleksandra 11120, Belgrade, Serbia
office@poverenik.rs

The Data Controller will provide the data subject with all relevant information considering their rights pursuant to the LPDP.

Personal Data Safeguards

Data Controller is comply with the highest standards of the personal data protection, and therefore it implements all the necessary organizational, technical and personal measures in order to ensure that the personal data is protected from the accidental, unlawful, or unauthorized destruction, loss, alliteration, access, publication, or usage, including but not limited to the following measures:

- Technical protection measures;
- PCI DSS (an international security standard related to the Bank's card services
- Control of the physical access to the systems where the personal data are stored;
- Control of the access to the data;
- Control of the data transfer;
- Control of the personal data entry;
- Data availability control;
- Other information security measures;
- Classification of Data;
- All other measures necessary to ensure the adequate level of data protection.

The third parties that have access or in other manner process the personal data, including other Data Controllers and the Data Processors, are also obliged to comply with the all the above-mentioned measures.

Data Retention Period

Bank process the personal data within the time-frame that is adequate for fulfilment of the particular purpose. Bank strives to keep data within time frame necessary to achieve concrete determined purpose, and after that data shall be erased or made unable for identification of Data Subject (measures of anonymization).

Concrete time frame is prescribed for every purpose and every Data Subject shall be informed on the time frame in adequate form.

Information relevant for the Personal Data Processing

Data subject is authorized to address the Data Protection Officer, for all the issues related to the personal data processing, including the exercising of his/her rights as explained in this Policy, by e-mail: zastita.licnih.podataka@halkbank.rs

Data Protection Officer will address on any inquiry of the data subject as soon as possible, depending of its complexity, but not later than 30 days from the day of the reception of such inquiry. Exceptionally, referred deadline may be extend for more 60 days. Notice on deadline extension shall be timely send to the data subject.

Cookies

Bank platform is using cookies. Cookies are the small packages of data stored on the personal computer (or other device that data subject is using for the access to internet).

Cookies enable the functionality of the web page, and some of them even tracking and analyses of the user behavior on the internet. Cookies usually don't reveal the user's identity. In case that Cookie enables the user's identity, Cookies will be treated as any other personal data, and therefore all that is said about the personal data is applicable on such cookies.

European Telecom regulation, as well as Serbian telecom regulations (Law on Electronic Communications) enables the usage of the Cookies, under the condition that the user (data subject) is in clear and precise manner notified about the purpose of the Cookies collection and processing, and that user had an opportunity to refuse such processing.

The removal of the Cookies is possible by the changing of the settings in your Internet Browser (Internet Explorer, Firefox, Chrome, Opera etc.). Stored Cookies could be removed, but depending of the type of cookie, such removal could reduce the functionality of Bank's platform.

Bank usually uses only Functional Cookies, type of cookies that improves the functionality of the Web Page or certain features of the Web Page. Such Cookies could be placed by Banka or by third parties and could be removed in the manner prescribed above (setup of the Internet Browser). Removal of such type of Cookie could interfere with the proper functioning of Web Page;

Bank could use the analytics tools such as Google Analytics in order to perform the analyses of the Web Page itself.

Special privacy notice

Beside this Policy, considering the specifics of the purpose that collecting and processing should fulfill and legal basis for such processing, Bank will notify the data subject on all the specifics and details of such processing (Special Privacy Notice) by using all the available channels of

communication (e.g. e-mail). For such processing this Policy and Special Privacy Notice shall be applicable.

Miscellaneous

This Policy shall enter into force eight days after publishing on Bank's Web Page, and shall apply starting from 21.08.2019.

This Policy might be periodically updated, provided that the changes will not in any way decrease the level data subject's privacy protection. All the eventual amendments shall enter into force 8 days after their publication on the Bank's Web Page. Data Subjects shall be informed on all important changes of this notice by usual means.

No: 3717

Date: 25.07. 2019.