Personal Data Protection

Compliance Policy

(In accordance with GDPR)

1. Purpose

This policy aims to provide clear principles of the Bank of Cyprus commitment to the protection of personal data of Customers, Suppliers, Business Partners and Employees (hereinafter “individuals”), and implementation of the relevant regulatory framework. Protecting the security and privacy of personal data is important to the Group so as to conduct our business fairly and lawfully and in the context of the envisaged privacy culture.

The policy is mainly based on the EU General Data Protection Regulation (hereinafter “GDPR”) which is applicable to the 28 EU member countries as of 25/5/2018. The GDPR aims at harmonizing the rights and freedoms of individuals regarding processing of their personal data and ensures the free and protected flow of such data between Member States. This policy has been fully implemented as of 25/5/2018.

Additionally this policy complies with the national legislation on the protection of personal data which is “The Protection of Natural Persons with regard to the Processing of Personal Data and for the Free Movement of such Data” Law 125(1)/2018 and section 106 of the Regulation of Electronic Communications and Postal Services Law 112(I)/2014” as well as relevant guidelines issued by the Commissioner of Personal Data protection from time to time.

2. Sectors Affected

All Group entities must, as a minimum meet the requirements of this policy. In the case where a Group Entity whose local industry Laws are in conflict with this policy, the respective Local Compliance Unit must liaise with the Group Compliance Division, so as to resolve this issue.

This is a Group policy but for easy reference in this policy document reference will be made to BOC (Bank) as the major Controller. The policy is applicable for all subsidiaries of the Group as they are separate data Controllers. Therefore roles and responsibilities defined in Appendix 1 should be adjusted accordingly at subsidiary level. The management of each entity is ultimately responsible for the implementation of this policy and to ensure, at entity level, there are adequate and effective procedures in place for its implementation and ongoing monitoring to its adherence.
3. Data Protection Principles

A. Principles for processing personal data

Each and every employee of the Bank should apply the following principles when processing personal data and the Bank should set out the relevant framework for adherence to these principles:

<table>
<thead>
<tr>
<th>Principle</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td><strong>Legality (Lawfulness, Fairness, Transparency)</strong></td>
<td>Personal data shall be processed fairly and lawfully and, in particular, shall not be processed unless at least one of some conditions is met and in the case of sensitive personal data, at least one of additional conditions are met (please see section B).</td>
</tr>
<tr>
<td><strong>Purpose</strong></td>
<td>Personal data shall be obtained only for one or more specified and lawful purposes, and shall not be further processed in any manner incompatible with that purpose or those purposes.</td>
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<tr>
<td><strong>Data Minimization</strong></td>
<td>Personal data shall be adequate, relevant and not excessive in relation to the purpose or purposes for which they are processed.</td>
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<tr>
<td><strong>Accuracy</strong></td>
<td>Personal data shall be accurate and, where necessary, kept up to date.</td>
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<tr>
<td><strong>Storage Limitation (Retention)</strong></td>
<td>Personal data processed for any purpose or purposes shall not be kept for longer than is necessary for that purpose or those purposes.</td>
</tr>
<tr>
<td><strong>Accountability</strong></td>
<td>Data Controller and Data Processor are responsible and need to demonstrate and comply with the rights and principles of the Law.</td>
</tr>
<tr>
<td><strong>Integrity &amp; Confidentiality</strong></td>
<td>Appropriate technical and organisational measures shall be taken against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data.</td>
</tr>
<tr>
<td><strong>Transferability</strong></td>
<td>Personal data shall not be transferred to a country or territory outside the European Economic Area, unless that country or territory ensures an adequate level of protection for the rights and freedoms of data subjects in relation to the processing of personal data.</td>
</tr>
</tbody>
</table>
B. Lawfulness for Processing Personal Data

The Bank shall only collect, use or otherwise process personal data relating to employees, clients, suppliers and business partners if the processing falls within the scope of one (or more) of the purposes listed below.

I. For the performance of a contract

The Bank as data controller processes personal data in order to perform banking transactions and offer financial services based on contracts with our clients also in order to be able to complete our acceptance procedure so as to enter into a contract with prospective customers. The purpose of processing personal data depends on the requirements for each product or service and the contract terms and conditions provide more details of the relevant purposes.

II. For compliance with a legal obligation

There are a number of legal obligations emanating from the relevant laws, to which with which the Bank is obliged to conform to, as well as statutory requirements, e.g. the Cyprus banking law, the Money Laundering Law, the Cyprus Securities Law, Tax laws etc. There are also various supervisory authorities [e.g. the European Central Bank, the European Banking Supervisory Authority, the Cyprus Central Bank, Cyprus Securities Exchange Commission, European Investment Fund]. Such obligations and requirements impose on the Bank personal data processing activities for credit checks, identity verification, tax law reporting obligations and anti-money laundering controls.

III. For the purposes of safeguarding legitimate interests

The processing of personal data is lawful so as to safeguard the legitimate interests pursued by the Bank or by a third party. A legitimate interest exists when the Bank has a business or commercial reason to use individual’s information. However, even such circumstances, the Bank must not unfairly go against what is right and best for the data subject. The Bank cannot assume it will always be appropriate for all processing operations. In order to base personal data processing on legitimate interests, extra responsibility is necessary for ensuring people’s rights and interests are fully considered and protected.

This responsibility can be broken down into a three-part test:

- **Purpose test:** are you pursuing a legitimate interest?
- **Necessity test:** is the processing necessary for that purpose?
- **Balancing test:** do the individual’s interests override the legitimate interest?

The issue is further analyzed under the lawfulness of processing and a legitimate interest test should be performed (using the relevant test tool) by the relevant stakeholder who has the ultimate responsibility for its sign-off.
IV. Individuals have provided their consent

Provided that an individual has provided his specific consent for processing then the lawfulness of such processing is based on that consent. Individuals have the right to revoke the said consent at any time. Before considering consent as a legal basis to process personal data, it needs to be ensured that this consent is secured and is adequately documented. Guidelines should be given on consent management across the Bank to ensure proper understanding and management.

V. Necessary for the purpose of a public task

Processing is necessary for the performance of a task carried out in the public interest or in exercising of official authority whereby the controller is subject to, such as to process personal data to carry out official functions or a task in the public interest.

VI. For the vital interests of the individual

When processing is necessary in order to protect the vital interests of the data subject or of another natural person, for example if it’s necessary to protect someone’s life. This could be the life of the data subject or someone else.

When processing personal data the bank should decide which lawful bases for processing applies (Article 6) and should have relevant tools and guidelines to facilitate this. If none of the above purposes applies then processing is not allowed.

C. Purposes for processing sensitive personal data

The Bank is not allowed to process sensitive personal data, unless one of the justifications enumerated in the GDPR is applicable. According to the GDPR, processing of sensitive personal data is possible in the following situations:

- The data subject has given explicit consent to the processing of those personal data for one or more specified purposes
- The data controller who is an employer may process sensitive personal data in so far as such processing is authorised by Union or Member State law or a collective agreement.
- Vital interests of the data subject or of another natural person are at stake.

D. Individual rights

The Bank maintains adequate procedures to ensure that:
i. all individuals are adequately informed of their rights and how to exercise them;
ii. there are properly written implementation procedures for each of the following data subjects’ rights as described in Articles 12 to 22 of the GDPR regulation
iii. the relevant procedures are executed at key touch points in the Bank, e.g. of all business lines, in order to be appropriately communicated to data subjects:

- **The right to transparent communication**: In order to ensure that personal data are processed fairly, controllers should be able to communicate transparently and effectively with individuals regarding the processing of their personal data through the various channels of the organisation.
- **The right to be informed**: Customers are clearly informed about the purpose for which they are being requested to provide personal data and that its subsequent use will be in conformity with that purpose.
- **The right of access**: Customers can also request to see the information held on them by submitting a subject access request.
- **The right to rectification**: Customers are entitled to have personal data rectified if it is inaccurate or incomplete. If the Bank has disclosed the personal data in question to third parties, we must inform them of the rectification where possible. The Bank must also inform the individuals about the third parties to whom the data has been disclosed where appropriate.
- **The right to erasure**: the right to erasure is also known as ‘the right to be forgotten’. This right enables individuals to request the deletion or removal of personal data whether there is no compelling reason for its continued processing.
- **The right to restrict processing**: Customers have a right to ‘block’ or suppress processing of personal data. When processing is restricted, we are permitted to store the personal data, but not further process it. The Bank can retain just enough information about the individual to ensure that the restriction is respected in the future.
- **The right to data portability**: The right to data portability allows individuals to obtain and reuse their personal data for their own purposes across different services. It allows them to move, copy or transfer personal data easily from one IT environment to another in a safe and secure way, without hindrance to usability.
- **The right to object**: Customers have the right to object to (a) processing based on legitimate interests or the performance of a task in the public interest/exercise of official authority (including profiling) (b) direct marketing (including profiling).
- **The rights in relation to automated decision making and profiling**: Customers have the right not to be subject to a decision when (a) it is based on automated processing and (b) it produces a legal effect or a similarly significant effect on the individual. The Bank can only carry out this type of decision-making where the decision is:
  - necessary for the entry into or performance of a contract, or
  - authorized by Union or Member state law applicable to the controller, or
  - based on the individual’s explicit consent.

- **The right to lodge a complaint**
  Further to the above rights, Article 77 mentions that in case the individual considers that
the processing of personal data relating to him or her, infringes his or her rights, he or she shall have the right to lodge a complaint with the local supervisory authority namely the Office of the Commissioner for Personal Data Protection.

Each data subject request is assessed and deliberated upon, based on its own merits by the Bank. All the procedures relating to data subject rights are analysed in the relevant circular (O.E 155).

**E. Information to be provided and communication with Individuals**

BOC is fully transparent and should develop and implement an effective data privacy communication plan to inform individuals as to the processing of their personal data. Information to be provided must be:

- Communicated in a concise, transparent, intelligible and be in an easily accessible form.
- Using clear and plain language, in particular for any information addressed to a child (Article 12).
- In writing, or by other preferable means, including, where appropriate, by electronic means.
- Free of charge.

This information is usually provided via a Privacy Statement through all major points of conduct with individuals (electronic or not) i.e. website, Branch, 1Bank, bank key customer documentation, job applications, contracts with external processors etc. Privacy statements should be developed and customised where necessary to adequately cover all service channels e.g. website privacy statement, customer privacy statement, employee privacy statement etc. Additionally the Bank should provide information about cookies, i.e. through a cookies policy, which contains information on how it uses them on the website and what options are available to individuals. All data privacy communication plans shall be updated at least on an annual basis or earlier, where deemed, e.g. in case new service channels are introduced etc.

As a minimum a privacy statement should contain the following information:

- Identity and contact details of the controller (and where applicable, the controller’s representative) and the data protection officer
- Purpose of the processing and the lawful basis for the processing
- The legitimate interests of the controller or third party, where applicable
- Categories of personal data
- Any recipient or categories of recipients of the personal data
- Details of transfers to third country and safeguards
- Retention period criteria
- The existence of each of data subject’s rights
- The right to withdraw consent at any time, where relevant
- The right to lodge a complaint with a supervisory authority
- The source the personal data originates from and whether it came from publicly accessible sources
• The existence of automated decision making, including profiling and information about how decisions are made, the significance and the consequences.

Procedures should be in place for individuals to communicate with the Bank and raise questions about the company’s privacy procedures and principles. Contact details of the DPO should be also published e.g. dpo@bankofcyprus.com

F. Data Breach Reporting

The Bank, (i.e. the incident response team) notifies the Commissioner within 72 hours of becoming aware of a data breach. Additionally the customer[s] affected should be informed especially when the breach is likely to result in a high risk to their rights and freedoms without undue delay. Relevant reporting criteria should be established towards this purpose. There should be an incident response plan in place for all breaches (operational, fraud, IT). All incident response plans should have provisions for notifying the DPO in case of a breach.

Vendors, who operate as processors of personal data on behalf of the Bank, must notify the Bank without undue delay after becoming aware of a personal data breach, as per their contractual obligations.

G. Data Retention

The Bank retains data in accordance with GDPR unless otherwise stated by applicable laws. The retention period should be aligned with the guidelines given by the Local Commissioner for Personal Data Protection. Further details regarding the specific retention periods can be found in Information Security Policy and the Information Security Standard for Data Retention and the Historical Archive Data Preservation Policy.

H. External processors

The Bank uses only processors providing sufficient guarantees that processing will meet the requirements of GDPR and ensure the protection of the rights of the data subjects and their personal data. Basic principles include:

• Processing shall be governed by a data processing agreement. The contract should adequately and clearly delegate responsibilities and liabilities from the controller to the processor. Relevant standard contract provisions shall exist.
• Risk assessment of each vendor shall be performed and extended due diligence should be carried out based on this risk assessment in co-operation with the business owner of the contract. This applies to both existing and new external processors. A contract may be terminated if the processor cannot provide sufficient guarantees to safeguard GDPR requirements.
• Standard Contractual Clauses for transfer for processors outside EU shall apply where applicable, which should be available and located together with all privacy documentation, under a central
The relevant privacy safeguards should be in place at the client onboarding stage as well as throughout the contract lifecycle in the Bank, and the relevant privacy forms and contracts shall be kept under a central depository.

The Bank should maintain a conclusive GDPR Vendors Management framework and develop tools for its implementation.

I. Data Protection Impact Assessment (DPIA)

The Bank shall maintain procedures to carry out Data Protection Impact Assessment. DPIA supports the Bank in identifying potential data privacy risks and constitutes the most effective way to comply with data protection obligations and meet individuals’ expectations of privacy. The DPIA shall be initiated whenever a new process that affects/uses personal data is implemented and it shall be revisited/updated when there is a change in the risk profile of the process (e.g. new vendor, change of the procedure etc.). DPIA should be carried out, in case there is processing of personal data involved, when:

- using new technologies and e.g. new systems, significant changes and digitization
- the processing is likely to result in a high risk in regards to the rights and freedoms of individuals.

The DPIA should be repeated where applicable and based on the bank’s procedures.

Processing that is likely to result in a high risk includes (but is not limited to):

- Systematic and extensive processing activities, where decisions that have legal effects – or similarly significant effects – on individuals.
- Large scale processing of special categories of data or personal data
- Large scale, systematic monitoring of public areas (CCTV).
- Evaluation or scoring, profiling and predicting especially in aspects concerning the data subject’s private life, performance at work etc.
- Processing datasets matched or combined from difference processing operations
- Processing data concerning vulnerable data subjects, including children, elderly, employees etc,
- Applying new technological solutions
- Transferring of data across borders outside the European Economic Area
- Preventing data subjects from exercising a right under GDPR or using a service or a contract

All procedures relating to data protection impact assessment are analysed in the relevant circular (O.E 180). The present policy should also be read in conjunction with the relevant guidelines by the Commissioner of Personal data located under the DPO in the portal.

J. Transfer of Personal Data to Third Countries

GDPR imposes restrictions on the transfer of personal data outside the European Union, to third
countries or international organisations. These restrictions are in place to ensure that the level of protection of individuals afforded by the GDPR is not undermined.

All cross-border transfers of personal data being to another Group legal entity or a third party outside EU (additionally including Iceland, Liechtenstein and Norway) must be covered by appropriate legal mechanisms. Data processors must either be resident in a country deemed adequate for data protection or offer guarantees satisfying European Union Laws on data protection, such as the Standard Contractual Clauses.

A third country may be declared as offering an adequate level of protection through a European Commission decision, when personal data can be transferred with another company in that third country without the data exporter being required to provide further safeguards or being subject to additional conditions.

Additionally the EU-US Privacy Shield framework allows the free transfer of personal data to companies that are certified in the US under the Privacy Shield.

In the absence of the above, a transfer can take place through the provision of appropriate safeguards and on condition that enforceable rights and effective legal remedies are available for individuals. Such appropriate safeguards include:

- In the case of a group of undertakings, or groups of companies engaged in a joint economic activity, companies can transfer personal data based on the binding corporate rules which need to be approved by the competent data protection authority;
- Contractual arrangements with the recipient of the personal data, using, for example the standard contractual clauses approved by the European Commission The European Commission has adopted three sets of model clauses which can be found on the Commission’s website (https://ec.europa.eu/info/law/law-topic/data-protection/data-transfers-outside-eu/model-contracts-transfer-personal-data-third-countries_en ) ;
- Adherence to an approved code of conduct or certification mechanism together with obtaining binding and enforceable commitments from the controller or processor in the third country.
- In the absence of an adequacy decision or of appropriate safeguards, the personal data may be transferred to a third party only under one of the following conditions:
  - The data subject has explicitly consented to the proposed transfer, after having been informed of the possible risks;
  - The transfer is necessary for important reasons of public interest, for the establishment, exercise or defense of legal claims, or in order to protect the vital interests of the data subject or of other persons

K. Personal data transfers between the Group

Each company of the Group is a different legal entity acting as a separate controller and there maybe cases that they share personal data for legitimate and lawful purposes. Such sharing will only take place if necessary safeguards exist for their protection which should be specified in writing.
Additionally Group companies should have in place Service Level Agreements governing the transfer of data and their responsibilities.

**L. Data Inventory**

Every controller is required to maintain a record of processing activities under its responsibility and its contents should comply with Article 30 (GDPR).

This data inventory should be regularly updated and made available to the Commissioner for Personal Data Protection upon request. The Bank to set up a data mapping framework that will enable each company to match personal data to processes and facilitate the implementation of GDPR principles, such as the DPIA completion.

**M. Supervision and compliance**

**I. Roles & Responsibilities**

The Board of Directors and Senior Management are responsible to oversee the Bank’s compliance with this policy. Additionally they have the ultimate responsibility for implementation and adherence to this policy throughout the Bank, and the imposition of any remedial action.

GDPR touches upon every single area of the Bank and thus each and every member of staff has a personal responsibility and obligation to implement this policy. Job responsibilities and enhanced roles are required so that GDPR requirements are adequately embedded into policies and procedures and become business as usual. Please refer to Appendix 1 for an overview of the respective responsibilities based on this policy.

**II. Data Protection Officer**

BOC fully implements the requirement of GDPR to designate a Data Protection Officer (DPO).

The Data Protection Officer (DPO) is responsible for supervising general compliance with GDPR and for advice on the implementation and interpretation of the policy throughout the Bank. DPO ToR, position and reporting lines are shown in Appendix 2 (DPO framework). The DPO is appointed officially by the Bank and his/her credentials are made known to the Commissioner of Personal Data Protection.

Collaboration of all designated DPOs should exist to ensure conformity; consistency and efficiency (take advantage of all possible synergies) and should meet at least twice a year to discuss issues and areas of high risks. Furthermore if there is a significant privacy incident or risk that puts at stake the reputation of the Group etc this should be escalated immediately to the DPO of BOC or even the Senior Management. Please refer to Appendix 2 for a more analytical overview of the respective DPO responsibilities based on this policy.

**N. Other Principles**
i. Marketing
The Bank shall only send to individual’s unsolicited commercial communication (direct marketing communication) with the prior consent of the individual (“opt-in”). In every direct marketing communication that is made to the individual, the individual shall be offered the opportunity to opt-out of further direct marketing communication. If an individual objects to receiving direct marketing communications from the Bank, or withdraws his consent to receive such materials, the Bank will take steps to refrain from sending further marketing materials as specifically requested by the individual. The Bank will do so within the time period required by applicable law.

ii. Sanctions for non-compliance
Any breach of this policy will be regarded as a serious offence by the Bank and it will result in disciplinary action. The Bank has procedures in place which enable it to take disciplinary action against personnel who violate this policy.

If a person suspects violations of this policy and wants to report it anonymously, this can be done through the Whistleblowing Line which is available to all members of staff as per the Whistleblowing Group Policy.

Non-compliance issues will be assessed accordingly and relevant measures/process should be in place to take into account also the impact on the capital adequacy and liquidity of the Bank.

iii. Training
The Bank shall provide training on this policy and related data protection obligations to employees who have access to personal data. In-depth trainings shall be provided on an ongoing basis to specific functions, more detailed trainings focusing on specific local requirements relevant for the compliance with this policy shall be provided on a local or regional level. Furthermore privacy culture should be enhanced to ensure that data is properly protected and risks are minimised throughout the Bank.

iv. Employee Data Processing
Processing personal data in the employment context is performed according to the principles of the law and with the aim of respecting the privacy of the employee. Processing operations must comply with the transparency requirements and employees should be clearly and fully informed of the processing of their personal data. Further details regarding employee data processing and employee rights and obligations can be found in the Employee Privacy Policy and the Code of Conduct.

v. Accountability
The Bank shall maintain adequate procedures to satisfy Article 24 of the GDPR which codifies the accountability obligation. As controllers we implement appropriate technical and organisational measures (including introducing data protection by design and by default principles where relevant) to ensure and be able to demonstrate that data processing is performed in accordance with the GDPR.

vi. Security Measures
The Bank shall take appropriate commercially reasonably technical, physical and organizational measures to protect the personal data from accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to personal data transmitted, sorted or otherwise processed. To achieve this, the Bank shall develop and implement relevant information security policy, standards, procedures and measures.

Employees shall be authorized to access personal data only to the extent necessary to serve the applicable legitimate purposes for which the personal data are processed by the Bank and to perform their job.

vii. Strategic Initiatives
The principles of this policy should be adequately adhered during the implementation of projects of strategic initiatives i.e. sale of loans, restructuring of loans etc.

4. Supporting Procedures & Documentation

This Data Protection Policy shall be reviewed annually and in consideration with the legislative or other developments, as appropriate. This policy is implemented via written procedures. For example, all the procedures relating to data protection are analysed in the relevant circular (O.E 155). The policy should be read in conjunction with the Information Security policy regarding protection issues. Presentations and information materials can be found at the bank’s portal-compliance department. The Group shall develop and implement policies, minimum standards and procedures for adherence to this policy. This policy is related to a number of other policies in the Group. As a rule, this policy provides the basis for other more detailed policies/documentation, such as the following (not exhaustive):

- Privacy statement
- Outsourcing Policy
- Employee Privacy Policy
- Code of Conduct
- Information Security Policy
- Lawfulness of processing and consent guidelines
- Data mapping framework
- Personal Data and Bank of Cyprus Group Circular (OE 155)
- Historical Archive Data Preservation Policy
- Circular on Data Privacy Impact Assessment (OE 180)
- Group Procurement Policy
- Vendor’s Management Unit policy framework (to be published/formed)

The Group shall maintain documentation (e.g. Data Protection (Privacy) Impact Assessments, Control Framework/Register, Operational Security Guidelines) regarding the structure, functioning, security and control of its information technology systems that process personal data.
## Responsibilities in relation to Data Protection Principles *

<table>
<thead>
<tr>
<th>Role</th>
<th>Responsibilities</th>
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<tbody>
<tr>
<td><strong>Board of Directors &amp; Top management</strong></td>
<td>The Board of Directors of the Bank retains ultimate responsibility for compliance of the Bank with the regulatory framework and the provisions of this and related policies.</td>
</tr>
<tr>
<td><strong>Audit Committee</strong></td>
<td>The Audit Committee has the responsibility to approve this policy.</td>
</tr>
<tr>
<td><strong>Data Protection Officer (DPO)</strong></td>
<td>See Appendix 2 of this policy.</td>
</tr>
<tr>
<td><strong>Group Procurement</strong></td>
<td>• Make available and collect GDPR related contractual documentation to external vendors of the Group.</td>
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<td></td>
<td>• Keep the list with all external processors/vendors that includes also the required GDPR classifications.</td>
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<td></td>
<td>• Maintain a list of Services Level Agreements (SLAs) of the bank with group companies and vice versa.</td>
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<tr>
<td><strong>Line Directors</strong></td>
<td>• Line Directors have the ultimate responsibility and accountability for adherence to this Policy within their Divisions (as first Line of Defence).</td>
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<tr>
<td><strong>Regulatory &amp; Ethics Compliance Department</strong></td>
<td>• Update this policy as and when required and monitor its high level implementation.</td>
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<tr>
<td><strong>Group Internal Audit</strong></td>
<td>• GIA includes this policy as an auditable area in its Risk &amp; Audit Universe and assesses the need for audit engagements during the annual audit planning process. The audit engagements planned by GIA aim to assess the adequacy and effectiveness of relevant controls, in order to provide assurance in relation to the effective implementation of GDPR across the group.</td>
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</tbody>
</table>
| **Information Security** | • Ensure that all security-related GDPR principles are adequately reflected in Information Security policy, standards and procedures.  
• Ensure that security incidents involving personal data breaches are timely and effectively reported to DPO.  
• Supports Vendors Management risk assessment for information security risks/controls. |
| **Information Technology** | • Set up and implement Business requirements so as all systems support and implement the required GDPR principles and procedures.  
• Guides and facilitates the DPIA framework within the bank.  
• Implement data minimisation and data retention rules.  
• Implement controls to ensure the protection of personal data. |
| **Legal** | • Legal is responsible for providing general advice to the Bank on relevant legislation and for providing support, guidance and advice to Departmental Units/DPO in relation to legal issues and legal documentation including contractual agreements etc. |
| **Human Resource Division** | • Implement internal HR procedures to ensure implementation of all employee data privacy Regulatory requirements. Implement departmental procedures to ensure implementation of all employee data privacy Regulatory requirements.  
• Prepare and maintain the Employee Privacy statement and facilitate and monitor its implementation.  
• Ensure that all privacy requirements are adequately reflected in the Employee Privacy Policy and the Code of Conduct.  
• Support employee privacy culture  
• Support and facilitate trainings on GDPR and data privacy in general. |
| Operational Risk Management | • Incorporate GDPR related compliance risk requirements into the RCSA assessment process.
• Ensure that the New Products/Services Management Policy includes data protection related controls and evaluations and data privacy by design. Update related circular accordingly.
• Incorporates DPIA procedural framework in the policy for new products and services.
• Ensures that the feedback from the DPO based on DPIAs performed is taken into account during the RCSA process.
• Ensure that Incident reporting mechanism framework timely escalates data protection breaches incidents and these are reported accordingly to DPO. |

| Change Delivery Department | • Identify related procedures and update accordingly in co-operation with relevant owners so as ensure that all the key principles of this policy are fully incorporated in all relevant implementation processes.
• Incorporates all GDPR requirements in customer documentation with the support of relevant departments.
• Ensure that all the GDPR related policies are adequately reflected in written processes and procedures of the bank.
• Ensure that adequate business related requirements (not technical) are delivered to relevant departments e.g. IT to implement written processes.
• Ensure that adequacy and updating of processes to implement all data subject rights.
• Ensure adequate documentation for consent management processes and relevant supporting procedures are updated to cover this in co-operation with relevant departments,
• Support personal data mapping processes and stock take related processes.
• Support internal communication of privacy related procedures.
• Ensure relevant procedures are in place to support DPIA process. |
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<tr>
<th><strong>Records Management</strong></th>
<th>• Implements GDPR principles on non-automated records (e.g. hard copies)</th>
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<tr>
<td><strong>Corporate Affairs</strong></td>
<td>• Facilitates the external communication on GDPR issues that may include privacy notices, GDPR knowledge and actions to enhance the Groups Privacy culture.</td>
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</tbody>
</table>
| **Historical Archive**  | • Ensures that personal data are maintained only after an appropriate consent is obliged otherwise they will be anonymized  
• Historical Data as per Data Preservation Policy are minimized. |
| **Local Compliance Officers (LCOs)** | • Facilitate and monitor compliance with this policy at departmental level and recommend relevant actions.  
• Provide guidance and support to their departments/divisions on GDPR related issues.  
• Perform reviews in relation to the compliance of the policy at departmental level and inform their management and GCD/DPO accordingly.  
• Report immediately any incidents of data privacy breaches or risks. |
| **All Staff**           | All personnel of the Bank are responsible for complying with this policy and its related procedures. |

*It should be stated that the above responsibilities are not exhaustive and may be enhanced as this policy reflects an extensive new regulatory framework that the Group is required to implement. Any further responsibilities as they emerge will be agreed accordingly and may be also reflected in the detailed processes and procedures for the implementation of this policy.*
APPENDIX 2

Data Protection Officer (DPO) framework in Bank of Cyprus
Under the General Data Protection Regulation (GDPR)

A. Designation of the DPO

BOC implements fully the requirement of GDPR to designate a Data Protection Officer (DPO). More specifically, the controller (i.e. each entity such as Bank of Cyprus Public company Ltd) and the processor shall designate a DPO in any case where:

i. the processing is carried out by a public authority or body, except for courts acting in their judicial capacity or

ii. the core activities of the controller or the processor consist of processing operations which, by virtue of their nature, their scope and/or their purposes, require regular and systematic monitoring of data subjects on a large scale; or

iii. the core activities of the controller or the processor consist of processing on a large scale of special categories of data pursuant to Article 9 and personal data relating to criminal convictions and offences referred to in Article 10.

Based on GDPR, a group of undertakings may appoint a single Data Protection Officer provided that the DPO is easily accessible from each establishment. Group DPO for all Group entities is not recommended in case of BOC Group due to (a) the size, differences and complexity of personal data held (b) different systems and procedures and (c) the requirement for the DPO to be easy accessible from each establishment (d) specialised knowledge required of the business operations.

Based on the above criteria (criterion ii) Bank of Cyprus Ltd should designate a DPO. Furthermore the following entities of the Group (as separate Controllers) should designate as a minimum a DPO:

i. Eurolife;

ii. General Insurance Cyprus;

iii. C I S C O;

iv. BOCAM.

The Bank of Cyprus Sporting Club and the Bank of Cyprus Cultural Centre have each elected a separate DPO being separate entities/foundations. Collaboration of all designated DPOs should exist to ensure conformity; consistency and efficiency (take advantage of all possible synergies) and should meet at least twice a year to discuss issues and areas of high risks. Furthermore if there is a significant privacy incident or risk that puts at stake the reputation of the Group etc. this should be escalated immediately to the DPO of BOC or even the Senior Management.
GDPR (Articles 37-39) as well as the Guidelines on Data Protection Officer (WP 243) set out the tasks of the DPO as well as the Guidelines as to the skills, qualifications and expertise of the DPOs required resources and envisaged position of the DPO. Please see in Table 1 (section the ToR and the responsibilities of the DPO as derived from the relevant framework.

B. Position of the DPO

I. Involvement of the DPO in all issues relating to the protection of personal data.
Article 38 of the GDPR provides that the controller and the processor shall ensure that the DPO is ‘involved, properly and in a timely manner, in all issues which relate to the protection of personal data’.

II. Independence and Reporting Lines of DPO

Article 38(3) states the following safeguards should exist in order to enable the DPO to act in an independent manner:

- Does not receive any instructions regarding the exercise of [his or her] tasks;
- He or she shall not be dismissed or penalised by the Controller or processor for performing his/her tasks. This requirement strengthens the autonomy of DPOs and helps ensure that they act independently and enjoy sufficient protection in performing their data protection tasks;
- No conflict of interest with possible other tasks and duties (as per below);
- The DPO shall directly report to the highest management level of the controller.

Assignment and Reporting lines

Upon the assignment of the DPO at each Controller/processor level it is important to ensure and guarantee that his/her reporting lines enable him/her to perform their tasks with a sufficient degree of autonomy and fulfil his/her duties in an independent manner. More specifically, prior to the assignment of a DPO both the reporting lines and the DPO authority/mandate should be reviewed together as both elements are equally important and hold one another in balance to ensure sufficient operational independence and authority.

Reporting lines are also subject to the reporting structure of the Controller and Processor as long as the above requirements are satisfied in relation to independence. For example the DPO may report to a Senior Member of the Management team e.g. Director for advising/deciding with the DPO on day-to-day tasks and routine issues that fall within the mandate of the DPO, and in parallel to a Committee of the Board or the Board to take more strategic decisions e.g. approval of overall GDPR program and DPO action plan, acting as a catalyst in case conflicts/disagreements arising from the first line of reporting.

Such direct reporting ensures that Senior Management (e.g. Board of Directors) is aware of the DPO’s advice and recommendations as part of the DPOs mission to inform and advice the Controller or the processor. Therefore direct access of the DPO to Senior Management is important.

As a minimum the report (at least on an annual basis) of the DPOs activities should be submitted to
the highest Management level (i.e. Board of Directors or Committee of the Board).

The autonomy of DPOs does not, however, mean that they have decision-making powers extending beyond their tasks pursuant to Article 39. The controller or processor remains responsible for compliance with data protection law and must be able to demonstrate compliance. If the controller or processor makes decisions that are incompatible with the GDPR and the DPO’s advice, the DPO should be given the possibility to make his or her dissenting opinion clear to those making the decisions.

DPO should be appointed officially by the Bank and his/her credentials are made known to the Commissioner of Personal Data Protection.

III. Conflict of Interest

Briefly GDPR states that the DPO must not be conflicted by having a dual role of governing data protection whilst also defining how data is managed. DPOs are allowed to have other functions provided that these do not give rise to conflicts of interests. This entails in particular that the DPO cannot hold a position within the organisation that leads him or her to determine the purposes and the means of the processing of personal data. Due to the specific organisational structure in every company of the Group, each case has to be considered separately.

Conflicting positions within the organisation may include senior management positions (such as Chief Executive, Chief Operating Officer, Finance Director, head of marketing department, head of Human Resources or head of IT departments) but also other roles if such positions or roles lead to the determination of purposes and means of processing. In addition, conflicts of interests may also arise for example if an external DPO is asked to represent the controller or processor before the Courts in cases involving data protection issues.

IV. Accessibility and localisation of the DPO:

According to Section 4 of the GDPR, the accessibility of the DPO should be effective.

C. Required skills for the DPO

The DPO ‘shall be designated on the basis of professional qualities and, in particular, expert knowledge of data protection law and practices and the ability to fulfil the tasks referred to in Article 39’. The necessary level of expert knowledge should be determined according to the data processing operations carried out and the protection required for the personal data being processed. For example, where a data processing activity is particularly complex, or where a large amount of sensitive data is involved, the DPO may need a higher level of expertise and support.

The necessary skills and expertise include:

- expertise in National and European data protection laws and practices including an in-depth understanding of the GDPR
- understanding of the processing operations carried out
- understanding of information technologies and data security
• knowledge of the business sector and the organisation
• ability to promote a data protection culture within the organisation

D. Resources of the DPO

Article 38(2) of the GDPR requires the organisation to support its DPO by ‘providing resources necessary to carry out [their] tasks and access to personal data and processing operations, and to maintain his or her expert knowledge’. The following items, in particular, are to be considered:

• Active support of the DPO’s function by senior management (e.g. at board level).
• Sufficient time for DPOs to fulfil their duties.
• Adequate support in terms of financial resources, infrastructure (premises, facilities, equipment) and staff where appropriate.
• Official communication of the designation of the DPO to all staff to ensure that their existence and function are known within the organisation.
• Necessary access to other services, such as Human Resources, legal, IT, security, etc., so that DPOs can receive essential support, input and information from those other services.
• Continuous training. DPOs must be given the opportunity to stay up to date with regard to developments within the field of data protection.
• Given the size and structure of the organisation, it may be necessary to set up a DPO team (a DPO and his/her staff). In such cases, the internal structure of the team and the tasks and responsibilities of each of its members should be clearly drawn up.
• In general, the more complex and/or sensitive the processing operations, the more resources must be given to the DPO. The data protection function must be effective and sufficiently well-resourced in relation to the data processing being carried out.
• DPO function to be supported by detailed procedures that will support implementation of this framework.
In summary the tasks (as a minimum) of the DPO include:

1. to inform and advise the controller (BOC) or the processor and the employees who carry out processing of their obligations pursuant to this Regulation and to other Union or Member State data protection provisions;

2. to monitor compliance with this Regulation, with other Union or Member State Data Protection provisions and with the policies of the controller or processor in relation to the protection of personal data, including the assignment of responsibilities, awareness-raising and training of staff involved in processing operations, and the related audits; As part of its duties to monitor compliance with GDPR, DPOs may, in particular:
   - collect information to identify processing activities
   - analyse and check the compliance of processing activities
   - inform, advise and issue recommendations to the controller or the processor

3. to provide advice where requested as regards the Data Protection Impact Assessment (DPIA) and monitor its performance pursuant to Article 35; More specifically the controller should seek the advice of the DPO, on the following issues, amongst others 35:
   - whether or not to carry out a DPIA
   - what methodology to follow when carrying out a DPIA
   - whether to carry out the DPIA in-house or whether to outsource it
   - what safeguards (including technical and organisational measures) to apply to mitigate any risks to the rights and interests of the data subjects
   - whether or not the data protection impact assessment has been correctly carried out and whether its conclusions (whether or not to go ahead with the processing and what safeguards to apply) are in compliance with the GDPR.

4. to act as the contact point for the supervisory authority on issues relating to processing, including the prior consultation referred to in Article 36 and to consult, where appropriate,
with regard to any other matter.

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<th>v.</th>
<th>Article 37(7) of the GDPR requires the controller or the processor to publish the contact details of the DPO and to communicate the contact details to the relevant supervisory authorities. The objective of these requirements is to ensure that data subjects (both inside and outside of the organisation) and the supervisory authorities can easily, directly and confidentially contact the DPO without having to contact another part of the organisation. This means that a procedure should be set up by the DPO to fulfil these responsibilities.</th>
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<td>vi.</td>
<td>DPO shall in the performance of his or her tasks to have due regard to the risk associated with the processing operations, taking into account the nature, scope, context and purposes of processing’. In essence, it requires DPOs to prioritise their activities and focus their efforts on issues that present higher data protection risks. This does not mean that they should neglect monitoring compliance of data processing operations that have comparatively lower level of risks, but it does indicate that they should focus, primarily, on the higher-risk areas.</td>
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| vii. | DPO to be seen as a discussion partner within the organisation and that he or she is part of the relevant working groups dealing with data processing activities within the organisation. Consequently, the organisation should ensure, for example, that:
  - The DPO is invited to participate regularly in meetings of senior and middle management.
  - His or her presence is recommended where decisions with data protection implications are taken. All relevant information must be passed on to the DPO in a timely manner in order to allow him or her to provide adequate advice.
  - The opinion of the DPO must always be given due weight.
  - The DPO must be promptly consulted once a data breach or another incident has occurred. |
<p>| viii. | Co-operates with DPOs of other Group Companies to disseminate knowledge and expertise, maximise synergies and deal with intra-group GDPR compliance issues. |
| x. | The DPO is ultimately responsible for ensuring maintenance of Data Inventory records in compliance with applicable requirements. The DPOs need to be able to demonstrate that each firm comprising the Group compliance with Article 30 of the GDPR, i.e. that each firm maintains an accurate and up to date Inventory that captures the personal data processing within the firm. (The controller or the processor, not the DPO is required to ‘maintain a record of processing operations under its responsibility’ or ‘maintain a record of all categories of processing activities carried out on behalf of a controller’). |</p>
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<th>xii</th>
<th>Ensures that there is a well-established procedure for Data Breaches and that all data breaches are timely reported.</th>
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<td>xiii</td>
<td>Ensures that the data privacy complaints are investigated in an adequate and timely process and are part of the current Complaints handling procedure.</td>
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Terminology

**Business partner:** any third party, other than a client or supplier which has or had a business relationship or strategic alliance with the Bank (e.g. joint venture, joint development partner).

**Client:** any third party that purchases may purchase or has purchased a product or service from the Bank.

**Commissioner for Personal Data Protection:** the Commissioner for Personal Data Protection is appointed by the Council of Ministers and is responsible for monitoring the application of the Law and other provisions relating to the protection of individuals with regard to the processing of their personal data in Cyprus.

**Consent:** any freely provided, express and specific indication of wishes in which one consents to the processing of his personal data.

**Controller:** the natural or legal person, public authority, agency or other body which determines the purposes and means of the processing of personal data.

**Data Protection Officer [DPO]:** the data protection officer shall be designated on the basis of professional qualities and expert knowledge of data protection law and practices. The DPO must be involved in all issues relative to the protection of personal data, will be the liaison between the organization and the Commissioner of Personal Data Protection and will mainly inform and provide advice to those involved with personal data processing, among other.

**Data Subject:** the identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physiological, genetic, mental, economic, cultural or social identity of that natural person.

**Dependant:** the spouse, partner or child belonging to the household of the individual.

**Employee:** an employee, job applicant or former employee of the Bank. This term does not include people working at the Bank legal entities as external consultants or employees of third parties providing services to the Bank.

**Group:** Group shall mean Bank of Cyprus and all subsidiary companies or legal entities, including branches and representative officers.

**Individual:** any Client, Supplier, Business Partner that is a natural person or any employee or any person working for a Client, Supplier or Business Partner, including individuals whose personal data the Bank processes on the basis of a legal or contractual requirement towards a third party (e.g. beneficiaries, mandated persons or legal representatives).

**Personal Data:** any information relating to an identified or identifiable natural person, in particular by reference to an identifier such as a name, an identification number, location data,
an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

**Personal Data Breach:** a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data transmitted, stored or otherwise processed. Failing to handle a data breach appropriately and in a timely manner may result in physical, material or non-material damage to data subjects, such as loss of control over their personal data or limitation of their rights, discrimination, identity theft or fraud, financial loss, damage to reputation, amongst others.

**Processor:** a natural or legal person, public authority, agency or other body which processes personal data on behalf of the controller.

**Processing:** any operation or set of operations which is performed on personal data or on sets of personal data, 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.

**Pseudonymisation:** the processing of personal data in such a manner that the personal data can no longer be attributed to a specific data subject without the use of additional information, provided that such additional information is kept separately and is subject to technical and organizational measures to ensure that the personal data are not attributed to an identified or identifiable natural person.

**Sensitive Personal Data:** personal data revealing an individual’s racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union membership, processing of genetic data, biometric data for the purpose of uniquely identifying a natural person, data concerning health or data concerning a natural person’s sex life or sexual orientation.

**Staff:** all employees and other persons who process personal data as part of their respective duties or responsibilities using the Bank information technology systems or working primarily at the Bank’s premises.

**Supplier:** any third party that provides goods or services to the Group (e.g. an agent, consultant, intermediary or vendor).

**Third party:** any natural or legal person, public authority, agency or body other than the data subject, controller, processor or persons who are authorised to process personal data.