

PRINCIPLES OF PERSONAL DATA PROCESSING

IDENTIFICATION AND CONTACT DETAILS OF THE PERSONAL DATA CONTROLLER

Factoring České spořitelny, a.s., with its registered office at Budějovická 1912/64b, Krč, 140 00 Prague 4, ID No.: 25629352, registered in the Commercial Register maintained by the Municipal Court in Prague under file no. B 5075 („FČS“ or „we“).

Contact details of the controller: compliance@factoringcs.cz, +420 956 770 711, Budějovická 1912/64b, Krč, 140 00 Prague 4.

Contact for the Data Protection Officer: poverenec@csas.cz. The Data Protection Officer at FČS is Česká spořitelna, a.s., ID No.: 45244782.

Website: www.factoringcs.cz („website“).

In this document, we would like to inform you about how we handle personal data as a personal data controller, whether you are visitors to our website, our clients, or individuals we otherwise interact with.

This document is prepared in accordance with 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 (hereinafter referred to as („GDPR“) and in accordance with relevant local data protection laws.

In this document, you will learn:

- what personal data we process,
- for what purposes,
- the legality of processing, including retention periods,
- with whom we share personal data, and
- what rights you have in relation to personal data protection.

FČS is a member of the Česká spořitelna Financial Group, and if you are interested in how this group processes personal data, please refer to this document: <https://www.csas.cz/cs/zasady-zpracovani-osobnich-udaju>.

A. PERSONAL DATA WE PROCESS

We operate as a financial company focused on Supply Chain Finance and offer financing, administration, and collection of receivables, factoring services (such as classic or reverse factoring). In providing these services, personal data may also be processed. Personal data may also be processed during the operation of the website. We may also ensure mutual communication or other activities where personal data processing occurs. To provide information in a clear and comprehensive form, we have divided the individual personal data we process into more general categories.

Categories of personal data:

- **Identification data**, such as name, surname, date of birth, position, address, and gender. Identification data may also include other data necessary for ensuring control in connection with measures against money laundering and terrorist financing.
- **Contact data**, which includes phone number, email address, contact address.
- **Identity document**, which is a copy of an ID card or other identity document, or any such parts and extracts.

- **Data from the eFactoring portal**, which includes username and related technical information (such as IP addresses and logs).
- **Authorization data**, which includes information and confirmations related to sufficient authorization of individuals who interact with us (qualified certificates or other confirmations).
- **Information related to the contractual relationship**, which includes any information obtained in connection with the services provided, whether it is information about receivables, their status, scope, information about statutory bodies, turnover structure, insurance limits, required financing amount, and other related information.
- **Communication data**, i.e., information about communication with you, such as email messages, etc.
- **Information about debtors**, which includes contact data and additional identification data of debtors of clients or relevant representatives acting on behalf of debtors of clients within the provided factoring services or other services. Debtors may also include avalists or other third parties providing guarantees for simplification of these principles.
- **Cookies**, i.e., information obtained from cookies and other similar technologies, whether in connection with consent management, security assurance, or processing for other purposes. Details about these personal data are available below in this document.

The specific scope of personal data may vary depending on the type and scope of services you use from FČS, respectively, what personal data you provide to us. It is important to mention that most personal data is obtained in connection with the emerging contractual relationship or is provided to us by entities you represent.

We obtain personal data directly from you, from publicly available registers and records, within data sharing in the Česká spořitelna Financial Group, or from our clients within realized contractual relationships. If you are our client and we have obtained personal data from you about other persons than yourself, **do not forget to inform the affected data subjects about this fact, referring to these data protection principles as the scope.**

B. PURPOSES OF PERSONAL DATA PROCESSING AND DURATION OF PERSONAL DATA PROCESSING

We process your personal data for the purposes listed below. For each purpose, we also state the legality of processing, including rules for the retention period of personal data.

B.1 Contractual relationship and related activities

We process personal data primarily to ensure the existence of a mutual contractual relationship, preparation of contractual documentation, contract conclusion, sending messages and other notifications, confirmations, or other documents, including communication related to the servicing and management of our products. This purpose includes the realization of all contractual activities, including client records in our internal systems. Within personal data processing, we process personal data either directly about you as our clients or about your contact persons, always thoroughly verifying the authorization to act on behalf of our clients, including the authorization of legal actions.

For this purpose, we process your Identification data, Contact data, Authorization data, Information related to the contractual relationship, Communication data. This purpose may also involve processing Information about debtors, to the extent necessary for the realization of provided services during the realization of the contractual relationship.

The legal basis for this processing is the performance of a contract within the meaning of Article 6(1)(b) GDPR, meaning the processing is necessary for the fulfillment of the contract.

Personal data is processed for the duration of the contractual relationship and subsequently for 10 years, which determines the potential assertion of claims arising from the contractual relationship. In the case of protection of legal claims, please also check other purposes where the retention period may be longer. You are required to provide personal data for this purpose. If you do not provide personal data, the contractual relationship cannot be realized.

B.2 Operation of the eFactoring platform

In addition to the website, we also operate the eFactoring portal, which is available here: <https://factoring.csas.cz/eFactoring/default.php>, which is an application that allows online access to information about the services you have ordered from us („eFactoring“).

If we enter into a contractual relationship together, you will use our eFactoring platform. It allows managing individual receivables, carrying out activities arising from the mutual contractual relationship, and recording other activities related to the contractual relationship.

For this purpose, we process Identification data (to the extent of name, surname, position), Contact data, Data from the eFactoring portal, and possibly also Information related to the contractual relationship to the extent of information about receivables and related information.

The legal basis for this processing is the performance of a contract pursuant to Article 6(1)(b) GDPR, meaning the processing is necessary for the fulfillment of the contract.

Personal data is stored for the duration of the contractual relationship.

Personal data in connection with the platform is a condition for setting up a user account, and without their processing, access cannot be realized.

If you will be granting access to the eFactoring portal to other persons, do not forget to inform these other persons about this fact and provide them with a comprehensive overview of information about the processing of personal data by us.

B.3 Prevention of fraudulent or other illegal activities

Your personal data is further processed for the purpose of preventing and detecting fraudulent or other illegal activities and taking measures related to the prevention of money laundering, terrorist financing, and the application of international sanctions. In particular, in connection with this purpose, we fulfill obligations set out by Act No. 253/2008 Coll., on certain measures against the legalization of proceeds from criminal activities and terrorist financing, as amended („**AML**“). As a mandatory entity under this legal regulation, we must take such measures and perform such activities to ensure compliance with the obligations set out by this law, and also fulfill obligations from the internally set compliance program. Part of this purpose is also the sharing of personal data with companies within the Česká spořitelna Financial Group due to fulfilling group obligations in the area of prevention and detection of fraudulent activities.

For this purpose, we process your Identification data, Contact data, Information related to the contractual relationship, and possibly other records and information obtained from questionnaires that we send you in connection with this purpose. The scope of personal data will always be proportional to the needs of control and ensuring prevention of fraudulent activities.

The legal basis for this processing is the fulfillment of a legal obligation pursuant to Article 6(1)(c) GDPR and our legitimate interest in protection against fraud Article 6(1)(f) GDPR.

These personal data will be processed for 10 years from the termination of the business relationship in accordance with § 16 AML.

Providing personal data is a legal requirement. Without their provision, a mutual contractual relationship cannot be established.

B.4 Ensuring communication with the client's debtors

In addition to fulfilling the contractual relationship between us and you as our clients, we may process personal data in connection with ensuring communication with the client's debtors when resolving receivables. This occurs by entering into contractual relationships, if you use our services, we ensure

the administration of receivables and related communication with relevant responsible persons of debtors.

For this purpose, personal data will be processed to the extent of Information about debtors.

The legal basis for this processing is the fulfillment of a mutual contract pursuant to Article 6(1)(b) GDPR, which we entered into within the provision of our services.

These personal data will be processed for the duration of the contractual relationship, respectively the existence of the debt, but no longer than 10 years from the payment of the debt, unless a longer period is stipulated by legal regulations or we determine a longer period.

If you are our client, we may ask you to provide information about this processing to the debtors.

B.5 Assessment of the credibility of notifications and proposing measures

As we are a mandatory entity under Act No. 171/2023 Coll. on the protection of whistleblowers, we have implemented a system for submitting such notifications. The rules for the internal notification system are available here: <https://www.factoringcs.cz/cs/o-nas/vnitni-oznamovaci-system>. If you submit such a notification to us, your personal data will be processed primarily for the purpose of assessing the validity of this notification by the relevant person and for the purpose of proposing further measures and solutions for a valid notification.

Specifically, information will be processed to the extent of the submitted notification, and if the notification is anonymous, no personal data will be processed. Otherwise, it may involve your identification, contact, preferences, information contained in the notification.

At the same time, personal data is archived in accordance with legal regulations. The fulfillment of these activities is directly imposed by Act No. 171/2023 on the protection of whistleblowers, therefore the legal basis for this processing is the fulfillment of a legal obligation pursuant to Article 6(1)(c) GDPR.

Personal data will be processed for this purpose for 5 years from the date of receipt of the notification. Providing the above-mentioned personal data is a legal requirement, and their non-provision may result in the notification not being handled in accordance with the Whistleblower Protection Act, or some procedural steps may be limited (for example, preventing notification of receipt of the notification and other activities).

B.6 Protection of our rights and legal interests

We may process your data to protect our rights and legal interests. Particularly in connection with proceedings before judicial authorities and other public authorities, or in connection with the internal resolution of your claims, including claims of debtors or other persons.

For this purpose, we process Identification data, Contact data, Data from inquiry questionnaires, Data from the eFactoring portal, Authorization data, Information related to the contractual relationship, Communication data, Information about debtors, always to the extent necessary to protect our own rights and legal interests.

The legal basis for this processing is our legitimate interest pursuant to Article 6(1)(f) GDPR, which lies in the protection of our rights and the realization of our legal interests. Data is processed for a maximum of 10 years from the termination of the lease agreement (or longer in the case of a dispute).

B.7 Fulfillment of legal obligations

We may also process your personal data to fulfill our other legal obligations (outside of AML), especially in the area of accounting and taxes. At the same time, we need to be prepared to cooperate with public

authorities if we are obliged to do so by any law, or if a public authority requests such cooperation. We are also subject to mandatory audits. For this purpose, we process your Identification data, Contact data, Information related to the contractual relationship, and other relevant data arising from individual categories.

The legal basis for this processing is the fulfillment of our legal obligations pursuant to Article 6(1)(c) GDPR. The legal regulations applicable to us include Act No. 586/1992 Coll. Income Tax Act, Act No. 235/2004 Coll. Value Added Tax Act, and Act No. 563/1991 Coll. Accounting Act (all as amended).

Data is processed for the period specified by legal regulations. This retention period is generally set for 5-10 years, depending on the type of document or the type of tax audit that may be initiated.

Processing is a legal requirement, and if it does not occur, we may be exposed to the risk of sanctions or other measures from public authorities.

B.8 Commercial communications

If there is a contractual relationship between us, we may use your electronic contact for the purpose of conducting business activities and sending relevant offers and information related to the existing contractual relationship. We may also use your phone contact to a similar extent.

For this purpose, we process your Identification data and Contact data or Contact data about your representatives and relevant persons as business partners.

The legal basis for this processing is our legitimate interest pursuant to Article 6(1)(f) GDPR, which lies in direct marketing.

Data is processed for the duration of the contractual relationship.

B.9 Analysis of portal traffic (Analytics)

We process your personal data to understand how visitors use our website. For this purpose, we may monitor website traffic, optimize it, and generally make the website visit smoother and more user-friendly.

With your consent, we process Cookies for this purpose, which facilitate more detailed analyses of portal visits (analytical cookies), during which your personal data may also be transferred to third parties. The legal basis for processing here is your consent, which you have given through the cookie banner. Personal data is processed for the period specified for individual cookies.

C. SHARING OF PERSONAL DATA

As a personal data controller, we determine the above-mentioned purposes for which we obtain and process your personal data, choose the means of processing your data, and are responsible for the proper processing of such data. We may share your personal data with other companies within the Česká spořitelna Financial Group, primarily for the purpose of fulfilling AML purposes and risk assessment. A complete list of members of the Česká spořitelna Financial Group and companies belonging to the Erste Group can be found [here](#).

We may also share personal data with other recipients listed in the following overview table:

Recipient	Purpose
Companies operating within the Financial Group Česká spořitelna, a.s., and Erste Group Bank AG	Primarily for assessment according to AML, and for the purpose of sharing basic information about contractual relationships

External workers collaborating with us and other suppliers	Ensuring the realization of contractual relationships (e.g., sales representatives)
External auditors	Ensuring and conducting mandatory audits
Providers of postal and communication services and electronic communication services	Conducting activities of the given provider
Collection agencies and law firms	Debt collection and legal representation of our company
Companies providing insurance coverage for credit risks	Conducting insurance coverage
Provider of digital document signing tools	Conducting contractual relationships and ensuring the record of contractual relationships
Provider of digital document archiving services	Conducting contractual relationships and ensuring the record of contractual relationships
Company managing the internal HoC system and eFactoring application	Ensuring service and operation, which may include viewing personal data
Google Ireland Limited	In connection with Cookies on the website

In addition to this, within the purpose of "*Protection of Our Rights and Legal Interests*" and "*Fulfillment of Legal Obligations*," we may share your personal data with certain third parties in the position of data controllers if we are obliged to do so based on applicable legislation (especially state authorities, police authorities, judicial authorities, or other public authorities).

We do not share your personal data with third countries outside the EU/EEA. If we were to share your personal data with controllers and processors in third countries (outside the EEA), we would only do so if there is a decision by the European Commission that a certain country outside the EEA ensures an adequate level of data protection, including cases where controllers or processors have adopted additional data protection measures, such as Binding Corporate Rules (BCR) or Standard Contractual Clauses (SCC).

D. YOUR RIGHTS IN PROCESSING AND HOW TO EXERCISE THEM

Below are listed your rights. You can exercise all rights at the contact address provided above in this document. At the outset, we would like to state that **we do not perform automated decision-making, including profiling, and we do not use any processes that would lead to such results for you.**

D.1 Right of access

You have the right to obtain confirmation from us whether we process your personal data or not.

If we process your personal data, you also have the right to request access to information about the purpose and scope of processing, data recipients, processing time, the right to rectification, erasure, restriction of processing, and objection to processing, the right to lodge a complaint with the supervisory authority, and the sources of personal data (this information is already provided in this document).

You can also request a copy of the processed personal data. The first copy is provided free of charge; further copies may be charged. The scope of the provided data may be limited to avoid interference with the rights and freedoms of other persons.

D.2 Right to withdraw consent

You have the right to withdraw consent to the processing of personal data at any time. Withdrawal of consent does not affect the legality of processing before such consent was given and will not lead to the termination of processing of personal data that has already been anonymized.

D.3 Right to rectification

You have the right to request from us the correction of inaccurate personal data concerning you. Depending on the purpose of processing, you may also have the right to supplement incomplete personal data, including by providing an additional statement.

D.4 Right to erasure (right to be forgotten)

You have the right to request the erasure of your personal data in cases where:

- we no longer need your personal data for the purposes for which they were collected or processed;
- you withdraw consent on which the processing is based, and there is no other legal ground for processing;
- you object to processing and there are no overriding legitimate grounds for processing, or you object to processing for direct marketing purposes;
- Personal data is processed unlawfully.

However, you cannot exercise this right if processing is necessary for compliance with our legal obligations or tasks entrusted to us in the public interest or for the establishment, exercise, or defence of legal claims.

D.5 Right to restriction of processing

You have the right to request the restriction of processing of your personal data in cases where:

- you contest the accuracy of your personal data; in such a case, you can request the restriction of processing until the accuracy of the personal data is verified;
- processing is unlawful, and instead of erasure, you request the restriction of processing of personal data;
- we no longer need your personal data for the purposes for which they were collected or processed, but you require them for the establishment, exercise, or defence of legal claims;
- you have objected to processing of personal data; in such a case, you can request the restriction of processing until it is verified whether our legitimate interests override.

D.6 Right to data portability

You have the right to receive a copy of your personal data that we process automatically based on your consent or for the performance of a contract. We will provide these data in a commonly used and machine-readable format to you, or a controller designated by you, if technically feasible. The scope of the provided data may be limited to avoid interference with the rights and freedoms of other persons.

D.7 Right to object

You have the right to object to the processing of your personal data that we process based on our legitimate interest. We will stop processing your data unless there are compelling legitimate grounds for processing or if

processing is necessary for the establishment, exercise, or defence of legal claims, or if you object to processing for direct marketing purposes.

E. RIGHT TO LODGE A COMPLAINT

In addition to exercising rights with our company, you can also lodge a complaint with the relevant supervisory authority, which is the Office for Personal Data Protection located at Pplk. Sochora 27, 170 00 Prague 7.