

Information on the Processing of Personal Data for the Purpose of Debt Collection

in accordance with Articles 13 and 14 of REGULATION (EU) 2016/679 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation – GDPR)

KentBank d.d., Gundulićeva ulica 1, 10000 Zagreb, Republic of Croatia, OIB: 73656725926, tel.: +385 1 4981 900, acts as the data controller (hereinafter: the Bank) and collects, processes, and uses your personal data for the purpose of performing debt collection activities, in accordance with the General Data Protection Regulation (GDPR).

The Bank recognizes the importance of personal data for every individual and is therefore committed to continuously enhancing the level of security and ensuring a high degree of confidentiality in the collection, processing, and use of your personal data. This includes protection against unauthorized or unlawful processing, as well as against accidental loss, destruction or damage, by applying appropriate technical and organizational security measures.

This information applies to natural persons, sole proprietorships, family farms (OPGs), and liberal professions whose data have been collected in the course of processing specific Bank services and products. This includes clients, as well as other parties involved in credit arrangements with the Bank, such as co-debtors, guarantors, mortgagors, and depositors. In particular, this information refers to the collection of due but unpaid receivables related to credit products, credit cards, and transaction accounts held by the Bank in relation to clients and/or the aforementioned individuals, and to early-stage activities aimed at identifying repayment difficulties in order to avoid further consequences of delayed repayment (such as enforcement proceedings).

What is personal data and what is processing?

Personal data refers to any information relating to an individual whose identity is identified or can be identified (the Data Subject), such as name, surname, photograph, or a recording in which the individual can be identified or recognized.

Processing means any operation or set of operations performed on personal data or on sets of personal data, whether or not by automated means, such as collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, transmission of personal data within the Bank or to third parties with whom the Bank has a contractual relationship, during the course of the business relationship and after its termination, for the period during which the Bank is legally obliged to retain certain documentation.

Purpose and Legal Basis for Processing

If you fail to fulfil your obligations under the contractual relationship with the Bank in a timely manner, the Bank will process your personal data for the purpose of collecting due but outstanding claims.

In the event that the due and unpaid claim is not settled within the prescribed period, the Bank will primarily take steps to inform the client and other parties liable for the client's debt—such as co-debtors, guarantors, mortgagors, and depositors—of the outstanding amount. This may include sending notifications and payment reminders with the aim of informing the parties about the unpaid

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obligations and finding the most efficient solution for settling the debt. This communication process is intended to assist clients experiencing difficulties in meeting their payment obligations and to help them meet their obligations on time. This helps avoid additional consequences of non-payment, such as extra charges, default interest, and enforcement procedures.

Communication with clients is carried out through various channels, including telephone, email, text messages (SMS), or traditional mail. This communication is based on the data collected by the Bank from the client and other parties during the product contracting process. In this way, we ensure personalised and effective communication tailored to each client's needs and preferences.

Effective communication with the client is a key element in the debt collection process. The Bank's goal is to provide support to clients in order to help them avoid situations of over-indebtedness. Through open and transparent communication, the Bank aims to ensure that clients have a clear understanding of their financial obligations.

An additional reason for striving for effective communication lies in the fact that the Bank, as a user of the HROK's OSR system, records all financial obligations you have or have had in relation to the Bank, and shares these data with other participants in the OSR system. The existence of due and unpaid debts may significantly affect a client's credit rating. Therefore, the legal basis for the processing of data collected by the Bank from the client for the purpose of debt collection is the performance of a contract (to which the debt relates) concluded with the client.

If the Bank is unable to establish effective communication with the client, or if the client fails to take any action to settle the outstanding debt after being informed, the Bank may proceed with further steps to collect the outstanding claim. For this purpose, the Bank is authorized to perform set-offs of mutual due claims. Furthermore, the Bank may take measures including the restriction of the use of agreed deferred payment credit cards and debit cards. This may also include the suspension of new service agreements, activation of wage garnishment orders and/or promissory notes, as well as the termination of banking and non-banking services. These measures are aimed at ensuring proper financial obligation management and protecting the interests of all parties involved.

Legal Basis for the Processing of Personal Data

- **Performance of a contract between the Bank and the client**

During the term of a contractual relationship that has not been unilaterally terminated or has not expired by regular means, the processing of personal data is based on the necessity for the performance of the contract.

- **Legitimate interests of the Bank**

The Bank has an obligation to establish and maintain an effective debt collection process in order to be able to provide its services and safeguard the interests of its clients, shareholders, and the wider community. In cases where the contract with the Bank has been terminated in any manner, the Bank processes your personal data based on its legitimate interests, for the purpose of recovering its outstanding claims.

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What data is processed?

For the purpose of collecting due but outstanding claims, the Bank processes the following categories of personal data:

- **Identification data** (e.g., full name, personal identification number – OIB, date of birth, residential or correspondence address);
- **Contact data** (e.g., telephone number, email address);
- **Financial data** (e.g., account number, account activity, deposit balances, loan balances, credit cards, product names, data concerning guarantors, co-debtors, mortgagors, depositors, unpaid overdrafts, and other outstanding liabilities).

In the course of telephone conversations conducted to reach an agreement on debt settlement, the Bank will also record and store such calls. This is done to document the course of the conversation, resolve potential complaints, and serve as evidence that the Bank has informed the client about the consequences of non-payment and any agreements reached.

Disclosure of Personal Data to Third Parties

In accordance with applicable legal provisions, the Bank may disclose your personal data to certain institutions (such as the Croatian National Bank, the Data Protection Authority, judicial and tax authorities, etc.), law firms, employers, the Financial Agency (FINA), the Ministry of the Interior, land registry and cadastre offices, and others.

Additionally, in the course of debt collection, the Bank may engage external service providers, such as debt collection agencies, to carry out collection activities on behalf of and for the account of the Bank. In such cases, the client is not placed at a disadvantage, as the amount of the claim remains the same and the client continues to settle their obligation to the Bank. Where the debt collection agency acts on behalf of and under the instructions of the Bank, it operates as a data processor. Clients do not bear any costs arising from collection via a third party.

Since the debt collection agency acts as a data processor, the legal basis for the processing of personal data is the same as that applied by the Bank during the collection of due and outstanding claims. For this purpose, no consent or other authorization from the client is required, as the legal bases are the performance of a contract and the legitimate interests of the Bank.

The contractual relationship between the Bank and debt collection agencies is fully compliant with the requirements of the General Data Protection Regulation. The Bank ensures that personal data is entrusted solely to external partners who provide sufficient guarantees that data processing will be carried out in accordance with applicable data protection laws.

Transfer of Data to Third Countries or International Organizations Outside the EU

The Bank processes your personal data within the Republic of Croatia. Your personal data may be transferred to third countries only to the extent permitted by law or on another legal basis that binds the Bank.

Your Rights

In accordance with the General Data Protection Regulation (GDPR), you have the following rights:

- Right to be informed – you have the right to be informed at any time about the processing of your personal data carried out by the Bank, as well as about all other relevant information related to the processing of your personal data,
- Right of access,

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- Right to erasure (“right to be forgotten”),
- Right to rectification of personal data,
- Right to restriction of processing,
- Right to data portability,
- Right to object,
- Right to lodge a complaint with a supervisory authority.

You may exercise these rights and request additional information about the processing of your personal data at any time by submitting a request at any branch of the Bank or via email to: szop@kentbank.hr.

Retention Period of Personal Data

All data related to the business relationship with the debtor that are processed for the purpose of debt collection are retained by the Bank. After the termination of the business relationship with the client, such data are retained for an additional 11 years from the end of the year in which the relationship was terminated.

In the event of legal proceedings, or if the Bank needs to process the data in order to respond to requests or to protect its legitimate interests, the data may be retained for a longer period. This applies for as long as the processing purpose exists—for example, until the conclusion of court proceedings or for the period prescribed in a specific case.

Debt collection agencies engaged to handle specific cases delete all client data upon the conclusion of their engagement. Debt collection agencies acting on behalf of the Bank also record conversations with clients. These recordings are retained for no longer than 12 months, for the purpose of monitoring communications and resolving potential complaints. Any recordings submitted by the agencies to the Bank are deleted immediately after the complaint has been resolved.

Objection

You have the right to object to the processing of your personal data at any time. An objection may be submitted using the Bank’s designated form or in free format via one of the following channels:

- by post to: KentBank d.d., Gundulićeva ulica 1, 10000 Zagreb, Croatia
- by email to: szop@kentbank.hr and/or naplata.fizicke.osobe@kentbank.hr
- in person at any branch of the Bank

If you believe that your right to personal data protection has been violated, you may also lodge a complaint with the Croatian Personal Data Protection Agency (AZOP), either by email to azop@azop.hr or by post to the address of AZOP’s registered office.

The Bank will inform you of the actions taken no later than one month from receipt of your request. If the Bank is unable to respond within the initial one-month period due to the complexity or number of requests, this period may be extended by an additional two months, in which case the Bank will notify you within 30 days of receiving the original request.

Data Controller:

KentBank d.d., Gundulićeva ulica 1, 10000 Zagreb, Croatia Phone: +385 1 4981 900

Data Protection Officer: Email: szop@kentbank.hr