

## **CENTRAL BANK OF ICELAND POLICY ON TREATMENT OF PERSONAL DATA**

### **1. General**

The Central Bank of Iceland's objective is to handle personal data in accordance with fundamental principles and rules on personal data protection and respect for personal privacy. The Central Bank is responsible for ensuring that personal data are handled in accordance with the applicable regulatory instruments, and it takes appropriate measures to ensure that this is done.

This Policy on Protection of Personal Data is based on the provisions of the Act on the Protection of Privacy, no. 90/2018, and the provisions 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 (hereinafter referred to as the Regulation).

This Policy on Protection of Personal Data applies to the Central Bank's processing of personal data on parties other than its own employees, as the Bank has also adopted a policy on the treatment of personal data on Central Bank staff members. The policy applies both to personal data that individuals have provided to the Central Bank, and to personal data acquired by the Bank from third parties. Personal data on individuals can be stored electronically in computer systems or on paper. The Policy on Protection of Personal Data applies equally to electronic and manual processing of personal data. This policy applies only to individuals, not to legal entities.

### **2. Personal data**

Act no. 90/2018 defines personal data as any information about an identified or identifiable person. The Act also states that an individual is considered identifiable if it is possible to identify them, directly or indirectly; i.e., by reference to an identifier such as a name, ID number, location data, online identity, or one or more other factors that identify the person in a physical, physiological, genetic, psychological, material, cultural, or social context.

The term *sensitive personal data* applies, among other things, to information on race, national origin, political views, religion, philosophical convictions, union membership, health, sex life and sexual orientation, genetic characteristics, or physical, physiological, or behavioural characteristics of an individual.

### **3. Processing of personal data**

The Central Bank emphasises careful handling of personal data and stresses that the data should be reliable and correct.

In all instances, the Central Bank is considered a responsible party, or *controller*, according to Act no. 90/2018, in connection with processing of personal data. This entails that the Central Bank determines, alone or in cooperation with others, in most cases *processors*, the purpose and methods for processing personal data.

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The Bank's processing of personal data takes place variously with the individual's consent, on the basis of a contract with an individual, on the basis of statutory requirements, to protect the interests of an individual, to serve the public interest, or to serve other legitimate interests.

The Central Bank receives data and information both from individuals themselves and from external parties such as government authorities, supervisory agencies, financial institutions, etc., for its processing of personal data, and the information is received variously via postal mail, e-mail, telephone, computer system, the Bank's web portals, etc.

The Central Bank makes an effort to comply with the fundamental principles of Act no. 90/2018; i.e., the principles of *legality*, *purpose*, *proportionality*, *reliability*, and *storage*. Furthermore, the Bank, as controller, shall always be able to demonstrate that its processing of personal data is in compliance with the requirements laid down in Act no. 90/2018.

Data that the Central Bank processes on individuals are generally classified as general personal data.

#### **4. Central Bank projects that entail processing of personal data**

Central Bank projects that could entail the processing of personal data include, but are not limited to, the following:

- a) *Capital Controls Surveillance Unit*: The Central Bank operates the Capital Controls Surveillance Unit on the basis of the Foreign Exchange Act, no. 87/1992, and the Act on the Treatment of Króna-Denominated Assets Subject to Special Restrictions, no. 37/2016.
- b) *Recording of telephone calls*: For business reasons, it is necessary that specified employees' telephone conversations from the Central Bank be recorded. The Central Bank informs its customers that their telephone calls may be recorded unless this is unequivocally clear to them by contract or previously sent notification.

Sound recordings are not stored in the Central Bank's systems for longer than necessity dictates, but they are stored for no less than seven years from the date of the recording. Sound recordings shall be stored and delivered to the National Archives in accordance with the Act on Public Archives; cf. also Article 7 of this policy on personal data protection. Furthermore, the Central Bank is prohibited from delivering sound recordings to third parties unless the requirements of Article 35 of the Act on the Central Bank of Iceland, no. 36/2001, are met.
- c) *Queries and correspondence*: The Central Bank receives communications from external parties, including queries, requests for information, requests for grants, and so forth. Such communications are received from individuals and from legal entities, which are represented by individuals.
- d) *The Central Bank's principal tasks*: On the basis of Act no. 36/2001, the Central Bank shall, among other things, promote price stability, promote the economic policy of the Government as long as it does not consider that policy inconsistent with its price stability objective, promote financial stability, and carry out other projects that

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are consistent with its role as a central bank, such as maintaining the international reserves and promoting an efficient and secure financial system, including domestic and cross-border payment systems.

- e) *Surveillance cameras*: Security guards monitor the Central Bank (inside and outside) 24 hours a day.
- f) *Mailing lists and subscriptions*: Individuals can subscribe to mailing lists at [www.sedlabanki.is](http://www.sedlabanki.is) and [www.lanamal.is](http://www.lanamal.is) and receive news reports and market information from the Central Bank. In these instances, processing of personal data takes place not at the Central Bank's initiative but at the initiative of the individual requesting a subscription.  

An individual who wishes to unsubscribe from Central Bank mailing lists may do so by contacting the Bank via postal mail, e-mail, or telephone, or by using the unsubscribe option included with e-mails received from the Bank. Although subscription cancellations may not be processed immediately, the Central Bank attempts to comply with requests for cancellation as soon as possible.
- g) *Recruitment and hiring*: During the process from advertisement of an available position through the signing of an employment agreement with a new employee, a large volume of personal information is collected from applications, CVs, introductory letters, recommendations, etc.
- h) *Social media*: Use of social media can result in individuals' sharing personal data with the Central Bank. The Central Bank maintains a Twitter account ([www.twitter.com/sedlabanki\\_is](http://www.twitter.com/sedlabanki_is)), which it uses to distribute news about the Bank's activities. If individuals follow the Bank on Twitter, retweet material posted by the Bank, like tweets from the Bank, or reply to them, their personal data will become accessible both to the Bank and to its other followers.
- i) *Communications with Central Bank employees*: According to Act no. 36/2001, the Bank's customers include commercial banks, savings banks, deposit institutions, and others. In their communications with the Central Bank, individuals act as representatives of these customers.
- j) *Cookies*: The Central Bank uses cookies on its website in order to count and analyse visits to the site. Users of the site can configure their web browsers to notify them of these cookies or refuse to use them. The Bank uses this information to improve and develop its website. The Central Bank does not collect any other information than that described above and does not link it to other information about any identifiable persons.

## **5. Communication of personal data to third parties**

The Central Bank does not disclose personal data to third parties such as Government entities, supervisory bodies, police authorities, financial institutions, processors providing service to the Bank, or others, except in extraordinary circumstances, when the Bank considers such disclosure necessary and appropriate, including for the purpose of responding to requests and queries, for safeguarding and protection of the Bank's activities, and for the purpose of fulfilling its supervisory role as laid down in the Act on the Central Bank of Iceland, no. 36/2001, and the Foreign Exchange Act, no. 87/1992. Such disclosure of personal data always takes place based on statutory authority.

To eliminate all doubt, it should be noted that the Central Bank does not disclose or sell personal data to third parties for marketing purposes.

## **6. Technological measures and security**

The Central Bank places strong emphasis on security in processing of personal data and takes appropriate technological and operational measures based on the nature, scope, context, and purpose of the processing, as well as the risk to individual data subjects' rights and freedoms, so as to ensure and demonstrate that the processing of personal data fulfils statutory requirements.

The Bank ensures that its processing of personal data, including saving and other types of data storage, is in compliance with the provisions of Act no. 90/2018. Personal data are stored in the Bank's computer systems, on paper in locked file cabinets, in databases, or on tapes made for backup purposes.

## **7. Individuals' rights**

Act no. 90/2018 provides for individuals' rights, including rights to education and information on how their personal data are processed. The following rights of individuals may be subject to restrictions by law, due to the interests of others to whom the information pertains, or due to interests of importance to the Central Bank; i.e., business or security interests.

Individual data subjects must prove their identity when they request to exercise their rights according to Act no. 90/2018.

### **7.1 Right of access to one's own personal data**

Individual data subjects are entitled to the Central Bank's confirmation of its processing of personal data on themselves, irrespective of whether such personal data originate with the individual concerned or not. Individual data subjects are also entitled to information on the purpose of processing of personal data, classification of personal data, recipients of the data (if applicable), storage time, their rights pursuant to Act no. 90/2018 and Central Bank rules, and their authorisation to lodge a complaint with the Data Protection Authority.

### **7.2 Right to rectification and erasure of data**

Individual data subjects are entitled to have unreliable personal data on themselves rectified; furthermore, they are entitled to have personal data on themselves erased without undue delay (the right to be forgotten) and to request that the Central Bank limit its processing pursuant to further conditions laid down in Articles 16-19 of the Regulation.

In the case of the Central Bank, however, the right to be forgotten is restricted as regards the Bank's obligation to submit documents and data to the National Archives; cf. also Article 8 of this Policy on Treatment of Personal Data.

### **7.3 Right of protest**

Individual data subjects may object to the processing of personal data on themselves, on the basis of Article 21 of the Regulation. The Central Bank shall no longer process the personal data unless it demonstrates compelling legitimate grounds for the processing which override the interests, rights, and freedoms of the data subject or for the establishment, exercise, or defence of legal claims. Where there is a justified objection, the processing instigated by the Central Bank may no longer involve those data.

### **8. Data storage period and submittal to the National Archives**

The Central Bank is an independent State-owned institution and is therefore obliged, as a public institution, to submit its documents to the National Archives in accordance with the provisions of the Act on Public Archives, no. 77/2014. This entails that the Bank submits to the National Archives all documents that do not fall under thinning authorisations granted explicitly by the National Archives. The Central Bank submits all documents to the National Archives when they have reached the age of 30 years.

### **9. Confidentiality**

The Central Bank emphasises ensuring secure, responsible treatment of personal data. The obligation to observe confidentiality on the basis of the Act on the Central Bank of Iceland, no. 36/2001, applies to all employees involved in processing personal data, and employees are informed of their obligation to maintain confidentiality and security so as to ensure that personal data are handled in a legal and responsible manner.

### **10. Data Protection Officer**

The Central Bank has appointed a Data Protection Officer (DPO) in accordance with the provisions of Act no. 90/2018. The DPO is independent and impartial in work done within the Central Bank and reports directly to the Governor. The role of the Central Bank's DPO includes monitoring to ensure that the Bank's operations are in compliance with the provisions of Act no. 90/2018, providing advice pertaining to the data protection impact assessment, and acting as the Bank's liaison with the Data Protection Authority.

### **11. Cooperation with the Data Protection Authority**

The Data Protection Authority supervises the implementation of Act no. 90/2018, and all data subjects or their representatives are entitled to lodge a complaint with the Authority if they believe the Central Bank's processing of their personal data is in violation of the law. Upon receiving a request from the Data Protection Authority, the Central Bank shall cooperate with the Authority on the execution of the Authority's tasks.

### **12. Amendments to the Policy on Treatment of Personal Data**

The Central Bank reserves all rights to amend this Policy on Treatment of Personal Data as needed.

Amendments to this Policy on Treatment of Personal Data shall be posted explicitly on the Bank's external website: ([www.sedlabanki.is](http://www.sedlabanki.is)).

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### **13. Queries, comments, and suggestions**

Queries, comments and suggestions concerning this Policy on Treatment of Personal Data or on the Central Bank's processing of personal data in other respects shall be directed to the Bank's Data Protection Officer by postal mail, by e-mail sent to [skjalasafn@sedlabanki.is](mailto:skjalasafn@sedlabanki.is), or by telephone at +354 569-9600.

Reykjavík, 17 July 2018