

Data Protection Compliance Statement

Introduction

The EU General Data Protection Regulation ("GDPR") came into force across the European Union on 25th May 2018 and brought the most significant changes to European data protection law in two decades. Based on privacy by design and taking a risk-based approach to handling personal data, the GDPR has been designed to meet the requirements of the digital age.

The California Consumer Privacy Act ("CCPA") bill was passed by the California State Legislature and signed into law by Jerry Brown, Governor of California, on June 28, 2018, with the same intentions and only one month after GDPR implementation.

The 21st Century brings with it broader use of technology, new definitions of what constitutes personal data, and a vast increase in cross-border processing. The new regulations aim to standardise data protection laws and processing, so affording individuals stronger, more consistent rights to access and control their personal information.

Our Commitment

Grid Dynamics are committed to ensuring the security and protection of the personal information that we process, and to provide a compliant and consistent approach to data protection. We have always had a robust and effective data protection program in place which complies with existing laws and abides by the data protection principles. However, we recognise our obligations in updating and expanding this program to meet the demands of GDPR and CCPA, as well as all local data protection laws and regulations in all states Grid Dynamics offices and employees are operating.

Grid Dynamics are dedicated to safeguarding personal information under our remit and in developing a data protection regime that is effective, fit for purpose, and demonstrates an understanding of, and appreciation for the new regulations. Our preparation and objectives for data protection compliance have been summarised in this statement and include the development and implementation of new data protection roles, policies, procedures, controls, and measures to ensure maximum and ongoing compliance.

How We Have Prepared for the new data protection regulations

Grid Dynamics already have a consistent level of data protection and security across our organisation, demonstrated by our compliance with ISO 27001:2013 since 2014, however it has been our aim to be fully compliant with GDPR by 25th May 2018, and with CCPA by June 28, 2018. Our preparations included:

- Information Audit - carrying out a company-wide information audit to identify and assess what personal information we hold, where it comes from, how and why it is processed and if and to whom it is disclosed.
- Policies & Procedures – revising and implementing new data protection policies and procedures to meet the requirements and standards of GDPR/CCPA and any relevant data protection laws, including:
 - Data Protection – our main policy and procedure document for data protection has been overhauled to meet GDPR/CCPA. Accountability and governance measures are in place to ensure that we understand and adequately disseminate and evidence our obligations and responsibilities; with a dedicated focus on privacy by design and the rights of individuals.
 - Data Retention, Archiving and Deletion – we have updated our retention policy and schedule to ensure that we meet the ‘data minimisation’ and ‘storage limitation’ principles and that personal information is stored, archived and destroyed compliantly and ethically. We have dedicated NIST 800-88-based erasure procedures in place to meet the new ‘Right to Erasure’ obligation and are aware of when this and other data subject’s rights apply; along with any exemptions, response timeframes and notification responsibilities.
 - Data Breaches – our incident response and recovery procedures ensure that we have safeguards and measures in place to identify, assess, investigate and report any personal data breach at the earliest possible time. Our procedures are robust and have been disseminated to all employees, making them aware of the reporting lines and steps to follow.
 - International Data Transfers & Third-Party Disclosures – where Grid Dynamics stores or transfers personal information outside the EU, we have robust procedures and safeguarding measures in place to secure, encrypt and maintain the integrity of the data. Our procedures include a continual review of the countries with sufficient adequacy decisions, as well as provisions for binding corporate rules; standard data protection clauses or approved codes of conduct for those countries without. We carry out strict due diligence checks with all recipients of personal data to assess and verify that they

have appropriate safeguards in place to protect the information, ensure enforceable data subject rights and have effective legal remedies for data subjects where applicable. Up-to-date (post-04.06.2021) Standard Contractual Clauses (SCC) have been enforced between all Grid Dynamics locations.

- Subject Access Request (SAR) – we have revised our SAR procedures to accommodate the revised 30-day timeframe for providing the requested information and for making this provision free of charge. Our new procedures detail how to verify the data subject, what steps to take for processing an access request, what exemptions apply and a suite of response templates to ensure that communications with data subjects are compliant, consistent and adequate.
- Legal Basis for Processing - we are reviewing all processing activities to identify the legal basis for processing and ensuring that each basis is appropriate for the activity it relates to. Where applicable, we also maintain records of our processing activities, ensuring that our obligations under Article 30 of the GDPR are met.
- Privacy Notice/Policy – we have revised our Privacy Notice to comply with GDPR/CCPA, ensuring that all individuals whose personal information we process have been informed of why we need it, how it is used, what their rights are, who the information is disclosed to and what safeguarding measures are in place to protect their information.
- Obtaining Consent - we have revised our consent mechanisms for obtaining personal data, ensuring that individuals understand what they are providing, why and how we use it and giving clear, defined ways to consent to us processing their information. We have developed stringent processes for recording consent, making sure that we can evidence an affirmative opt-in, along with time and date records; and an easy to see and access way to withdraw consent at any time.
- Direct Marketing - we have revised the wording and processes for direct marketing, including clear opt-in mechanisms for marketing subscriptions; a clear notice and method for opting out and providing unsubscribe features on all subsequent marketing materials.
- Data Protection Impact Assessments (DPIA) – where we process personal information that is considered high risk, involves large scale processing or includes special category/criminal conviction data; we have developed stringent procedures and assessment templates for carrying out impact assessments that comply fully with the GDPR's Article 35 requirements. We have implemented documentation processes that record each assessment, allow us to rate the risk posed by the processing activity and implement mitigating measures to reduce the risk posed to the data subject(s).
- Processor Agreements – where we use any third-party to process personal information on our behalf (i.e. Payroll, Recruitment, Hosting etc), we have drafted compliant Processor Agreements and due diligence procedures for ensuring that they (as well as we), meet and understand their/our GDPR/CCPA obligations. These measures include initial and ongoing

reviews of the service provided, the necessity of the processing activity, the technical and organisational measures in place and compliance with the GDPR/CCPA.

- Special Categories Data - where we obtain and process any special category information, we do so in complete compliance with the Article 9 requirements and have high-level encryption, strong authentication and other relevant on all such data. Special category data is only processed where necessary and is only processed where we have first identified the appropriate Article 9(2) basis condition. Where we rely on consent for processing, this is explicit and is verified by a signature, with the right to modify or remove consent being clearly signposted.
- Website Policies - our website privacy policy has been updated in line with the new requirements with more technical restrictions placed on 3rd party (e.g. Analytics) cookies.

Data Subject Rights

In addition to the policies and procedures mentioned above that ensure individuals can enforce their data protection rights, we provide easy to access information via our corporate Wiki, in the office, and during new employees induction of an individual's right to access any personal information that Grid Dynamics processes about them and to request information about:

- What personal data we hold about them
- The purposes of the processing
- The categories of personal data concerned
- The recipients to whom the personal data has/will be disclosed
- How long we intend to store your personal data for
- If we did not collect the data directly from them, information about the source
- The right to have incomplete or inaccurate data about them corrected or completed and the process for requesting this
- The right to request erasure of personal data (where applicable) or to restrict processing in accordance with data protection laws, as well as to object to any direct marketing from us and to be informed about any automated decision-making that we use
- The right to lodge a complaint or seek judicial remedy and who to contact in such instances

Information Security & Technical and Organisational Measures

Grid Dynamics takes the privacy and security of individuals and their personal information very seriously and take every reasonable measure and precaution to protect and secure the personal data that we process. We have robust ISO 27001:2013 aligned information security policies and procedures in place to protect personal information from unauthorised access, alteration, disclosure or destruction and have several layers of applicable security measures, including:

- strict data classification system that defines all personally identifiable information (PII) as "Highly Confidential" by default with security controls such as listed below applied and enforced
- enforced two factor authentication
- strong data encryption in transit and at rest
- strict password policy enforcement and regular password strength checks
- need-to-know access rights only, regularly reviewed for all access types
- network separation of any systems that hold sensitive data
- high priority of regular vulnerability scanning of such systems, reputable third party penetration tests
- high priority of any alerts originating from these systems
- Intrusion Detection, centralised logging and monitoring via Trelix SIEM
- business antimalware/HIPS/DLP updated in real time at all systems involved
- security awareness training and testing of all our employees who have access to personal data which includes regular phishing tests

Data Protection Roles and our Employees

Grid Dynamics have designated a Data Protection Officer and have appointed a data privacy team to develop and implement our roadmap for complying with the new data protection regulations. The team is responsible for promoting awareness of data protection and privacy across the company, assessing our GDPR/CCPA readiness, identifying any gap areas, and implementing the new policies, procedures and controls.

Grid Dynamics understands that continuous employee awareness and understanding is vital to the continued GDPR/CCPA compliance and have involved our employees in our preparation plans.

We have implemented an employee training program provided to all employees since May 25th, 2018, and forms part of our induction and annual training program. Employees who work with personal data on a daily basis have received additional security awareness and data privacy training and guidelines/checklists.

If you have any questions about our preparedness for GDPR/CCPA, please contact dpo@griddynamics.com