

Asset Management / Investment Funds Data Protection Breakfast

Grant Thornton

Data Protection as a Service



Welcome

Steven Tennant

Running order

1. Welcome - Stephen Tennant, Partner | Financial Services
2. Key data protection challenges - Mike Harris, Partner | IT Security
3. Data Protection as a Service - Shane Carrick, Director | Privacy Lead
4. Q&A

Key data protection challenges

Mike Harris

Financial Services - Asset Management

We offer audit, tax, advisory and support services across the asset management industry.



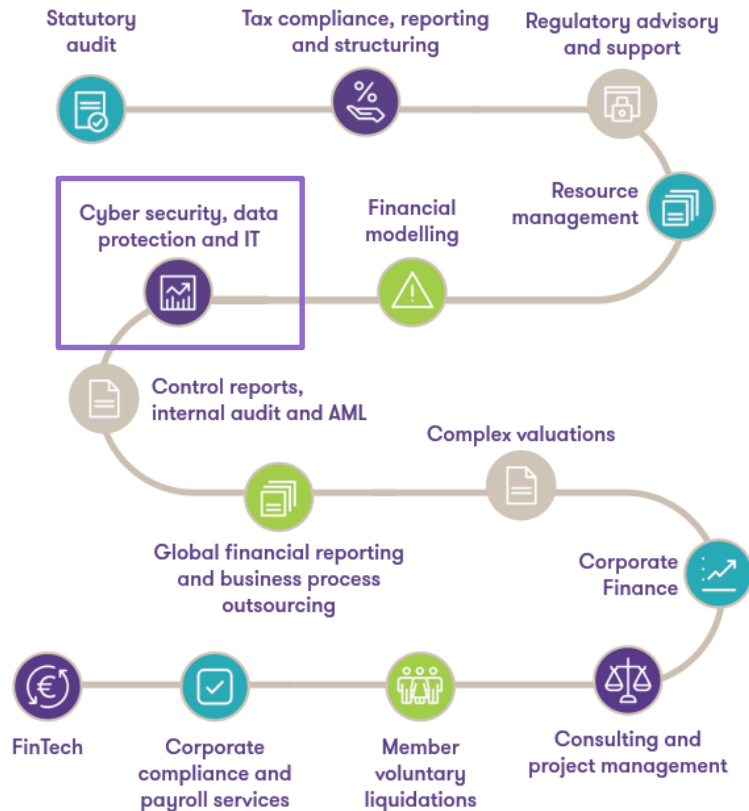
10%

of the domestic SPV and securitisation market serviced by Grant Thornton in Ireland



>\$1tn

in assets serviced by our global team of asset management professionals



Grant Thornton - Ireland

We offer audit, tax, advisory and support services across the asset management industry.

Our global presence



Grant Thornton Ireland

Fastest growing
professional
services firm in
Ireland



**Our dedicated Financial Services - Asset
Management team includes:**



13 partners



300+ people



Irish Funds Industry

- 13,914 funds
- €4.2 Trillion AUA
- Over 16,000 industry professionals
- Distribution to over 90 countries

SOURCE: Central Bank of Ireland, Monterey Insight Ireland Survey 2018 and Irish Funds (Net assets and number of funds valid as of December 2018)



Irish Funds Industry

- 13,914 funds
- €4.2 Trillion AUA
- Over 16,000 industry professionals
- Distribution to over 90 countries



Investors' personal data

- AML Information
- Financial Information - bank details, wealth
- Screening (PEP/sanction)

Personal data for asset verification

- Loan data
- Life settlement data

Employee personal data

- Personnel files & recruitment information
- Medical records
- AML and signatories

Transfers to third countries

- Intercompany agreements
- Standard contractual clauses
- Brexit

SOURCE: Central Bank of Ireland, Monterey Insight Ireland Survey 2018 and Irish Funds (Net assets and number of funds valid as of December 2018)



Data Protection key challenges

Brexit & transfers to third countries

- Foreign subsidiaries
- Related entities

Regulations impacting personal data

- Ultimate Beneficial Ownership
- AML Documentation

Capability & capacity

- Constrained compliance departments
- Lack of Data Protection expertise

Asset verification

- Asset backed securities
- Life settlement funds

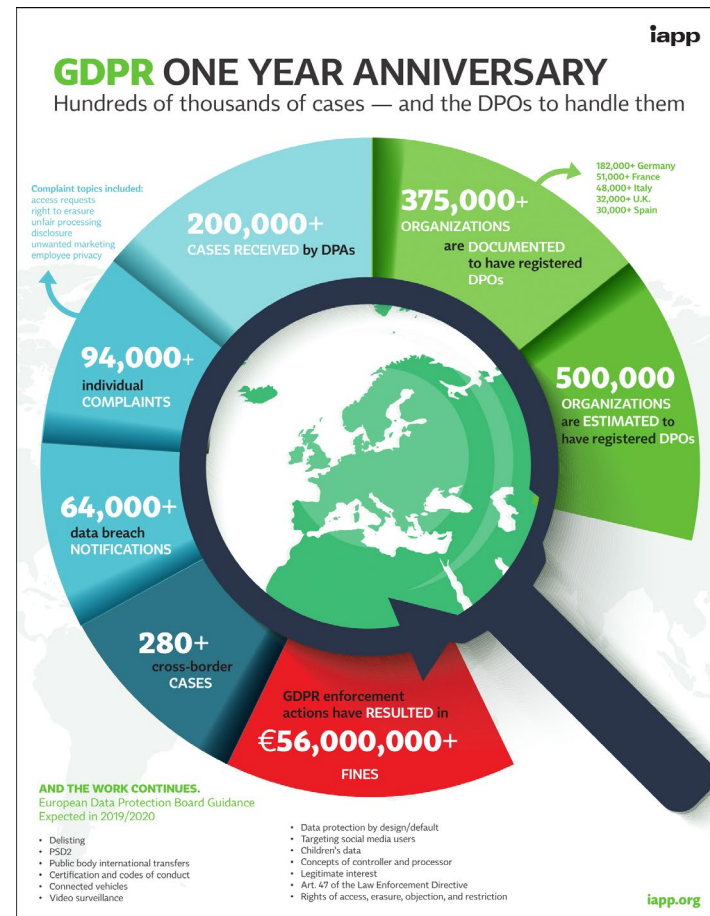
Breach Management & Subject Rights Requests

Outsourcing arrangements

- Third party vendors
- Third country vendors & entities



GDPR across Europe



Source: IAAP.org

GDPR 6 Month Irish view

May 2018 – Dec 2018

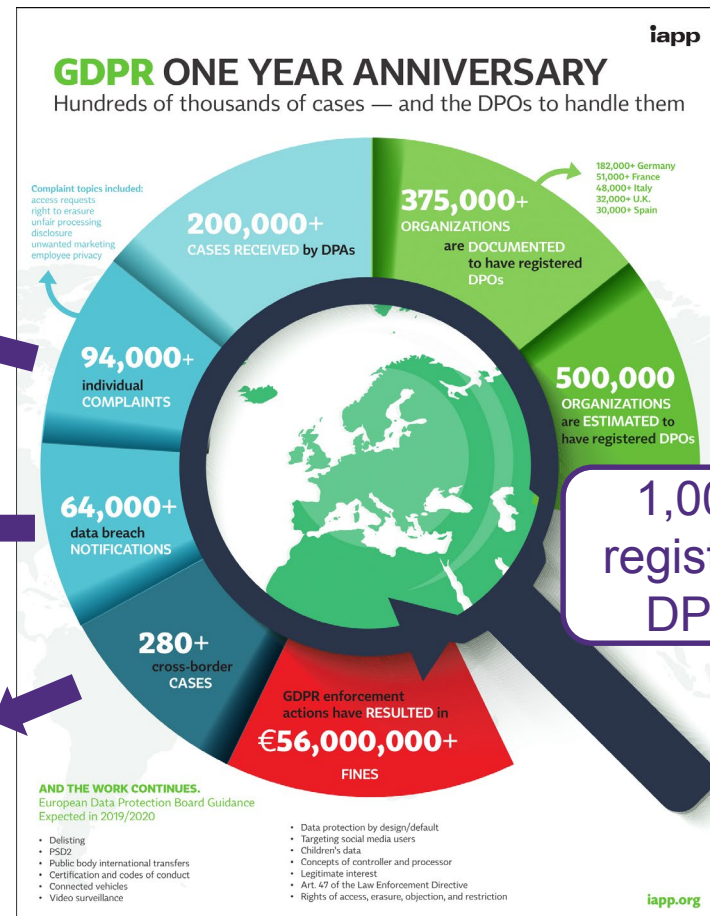
2,864 complaints

- 977 Access Rights

3,542 valid data security breaches recorded

- Largest single category: Unauthorised disclosures

136 cross border processing complaints



Source: DPC Annual Report 25 May – December 2018

Data protection in the news

"The threat of cyber security may very well be the biggest threat to the U.S. financial system." - Jamie Dimon, CEO JPMorgan Chase

Google hit with €50m fine for data privacy breach

Levy is first use of GDPR introduced last year

© Mon, Jan 21, 2019, 16:04



<https://www.irishtimes.com/business/technology/google-hit-with-50m-fine-for-data-privacy-breach-1.3765575>

Processing publicly available personal data without telling data subjects? The Polish data protection authority has (bad) news for you...

Technology Law Dispatch

Reed Smith LLP



ReedSmith
LLP

European Union, Poland | April 9 2019

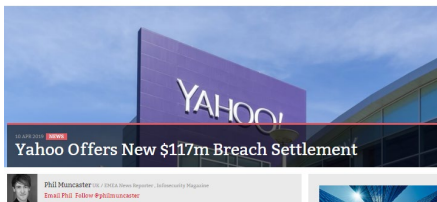
<https://www.lexology.com/library/detail.aspx?g=a1613153-b3e3-4ae3-924d-6770722a47c1>

UK calls on Facebook to drop appeal of data protection fine

Mark Zuckerberg wrote an opinion piece supporting new privacy laws



<https://www.ft.com/content/94c78fa0-54ac-11e9-91f9-b6515a54c5b1>



<https://www.infosecurity-magazine.com/news/yahoo-offers-new-117m-breach-1/>

Irish data watchdog probing WhatsApp security breach



Stock photo: Chris Roscliff/PA



Independent.ie Newsdesk
May 16 2019 13:05 PMT



<https://www.independent.ie/irish-news/irish-data-watchdog-probing-whatsapp-security-breach-38110369.html>

Data breaches 'major contributor' to UK fraud

Data breaches are a "major contributor" to fraud experienced in the UK, a new report by a banking industry trade association has said.

| 22 Mar 2019

Cybersecurity | Banking | Banking & Restructuring | Consumer protection | EU data protection regulation | Data protection and privacy | Regulatory | TMT &

<https://www.out-law.com/en/articles/2019/March/data-breaches-contributor-uk-fraud/>



Grant Thornton

An instinct for growth™

Data protection in the news

Recently in the Irish media

Surge in Irish businesses insuring against data breaches

- Irish Times 15/04/2019

“more than half of Irish firms have experienced a data breach in the last 12 months, with 22pc suffering multiple breaches”.

- Irish Computer Society

Investigations into 15 tech companies have been opened as data breaches increase 70%

- breakingnews.ie 28/02/2019

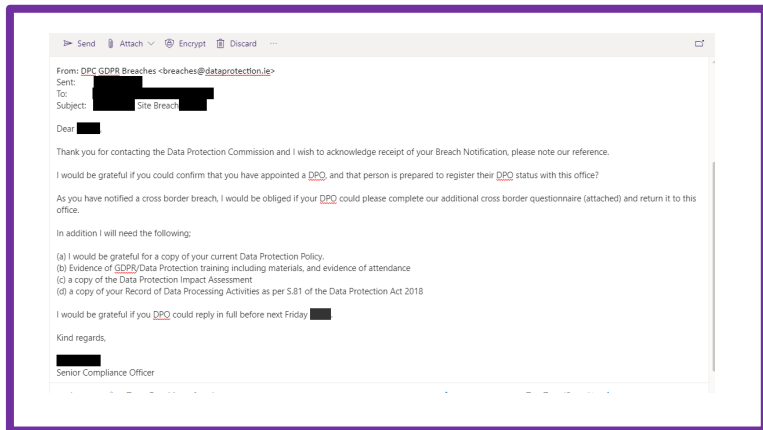
Irish DPC sees **800% budget increase** since 2014. The DPC's budget allocation has risen from €1.9 million in 2014 to €15.2 million this year.

- independent.ie



What happens when you have a breach?

We all know 72 hours to report the breach but did you know...



...the DPC will immediately request specific artefacts when assessing the breach which *should* have been in place

Artefact requests include:

- ✓ Record of Processing Activities (RPA)
- ✓ Data Policy
- ✓ DPO or equivalent details
- ✓ Evidence of GDPR / Data Protection training
- ✓ Risk rating of personal data processes identifying Data Protection Impact Assessment (DPIA) requirements
- ✓ Breach management process

Our innovative and highly pragmatic DPaaS prioritises the production and review of these and other key artefacts

Data Protection as a Service

Shane Carrick

Data Protection as a Service (DPaaS)



Grant Thornton
An instinct for growth™

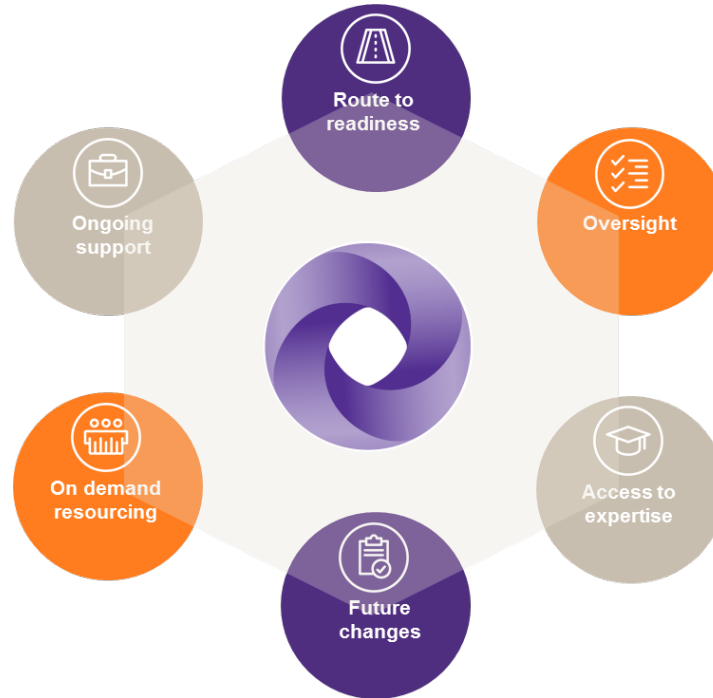
Data protection as a service

Enabling your data protection compliance



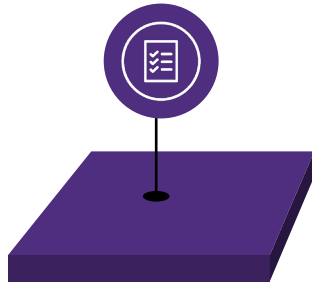


Data Protection as a Service (DPaaS)

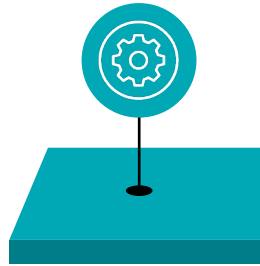




Data Protection compliance journey



**Level 1: Visible
compliance**



**Level 2: Operational
compliance**

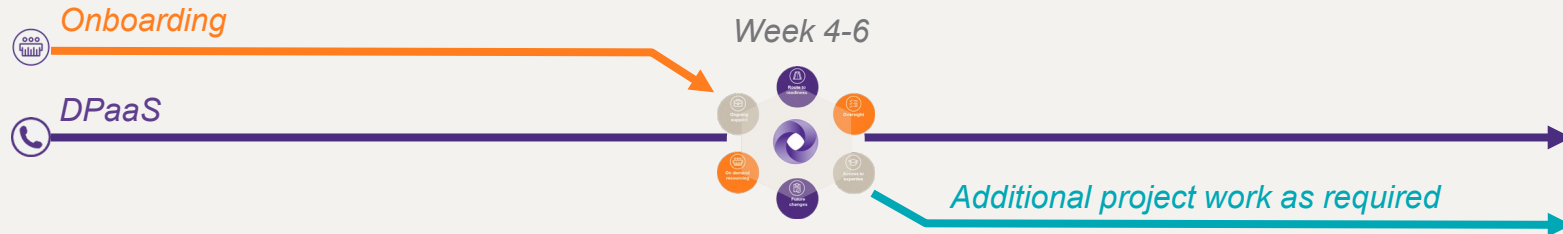


**Level 3: Sustainable
compliance**



Data Protection as a Service

Establishing DPaaS



Discovery

- ✓ Review of personal data protection policies and processes
- ✓ Review of privacy notices
- ✓ Identification of training requirements
- ✓ Retention policy review
- ✓ Review of current third party GDPR compliance
- ✓ Review of access controls

Deliverables

- ✓ Initial Record of Processing Activities (RPA)
- ✓ Risk rating of personal data processes identifying Data Protection Impact Assessment (DPIA) requirements
- ✓ Prioritised list of key deliverables
- ✓ Delivery plan
- ✓ Breach management process

Policies and artefacts

- ✓ Data protection policies
- ✓ Retention policies
- ✓ Data handling guide
- ✓ Privacy notices
- ✓ Subject rights request process
- ✓ User access controls process
- ✓ Roles and responsibilities definition
- ✓ Queries and complaints process

Compliance activities

- ✓ Data Protection Impact Assessments
- ✓ Target operating model design and implementation
- ✓ Training and awareness
- ✓ Third party audits
- ✓ Retention implementation support
- ✓ Business unit assessments

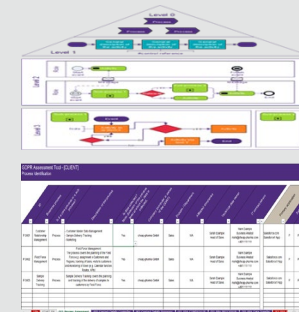
Data Protection as a Service

Deliverables

- ✓ Initial Record of Processing Activities (RPA)
- ✓ Risk rating of personal data processes identifying Data Protection Impact Assessment (DPIA) requirements
- ✓ Prioritised list of key deliverables
- ✓ Delivery plan
- ✓ Breach management process

RPA process examples:

- **Key operational client databases (high risk requiring a DPIA)**
- AML Research: PEP screening
- Email and Internet usage monitoring
- Trustee Services
- Personal data process across HR, IT, Operations, Legal, Shareholder Services, Finance, Business Solutions, Corporate Governance, etc...



Example of high risk drivers

Outsourced or in-house 'client data base'

- Database with client personal data
- Personal data of Directors and Shareholders and Trustees
- Potential health data of Directors, Shareholders and Trustees stored within database for underwriting and asset verification purposes.



Example controls ensuring appropriate technical and organisational measures are in place.

- Access controls with bi annual/quarterly review
- Integrated password/2FA
- Control and Audit logs
- Completion of Data Protection Impact Assessment

AML & Ultimate Beneficial Ownership



UBO does not have any special data protection requirements because:

- data publicly available from the CRO;
- number of data subjects limited due to the 25% threshold
- data already separately collected for other purposes

For both AML and UBO standard personal data controls should be in place such as:

- ✓ Access controls
- ✓ Central repository e.g. **not retained in individual email accounts** etc.
- ✓ Enacted retention policy (no longer than required by law)
- ✓ Maintain accurate data



The answer...

Practical and pragmatic approach taking account of DPC activities to date

Data Protection skills with real world experience

Capability to deliver and advise

Empowers clients now and in the future

Cost efficient and effective

Sanctions are coming

- DPC under pressure globally to take public actions
- Commissioner has indicated sanctions this year



The Data Protection / Privacy Practice

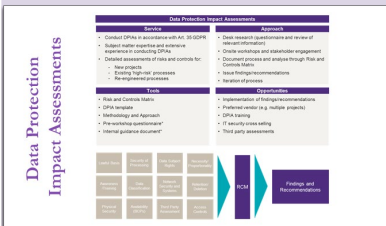
Forensics & Cyber > Digital Risk Management > **Privacy**

Our Offerings

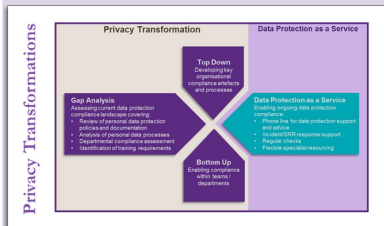
Data Protection as a Service



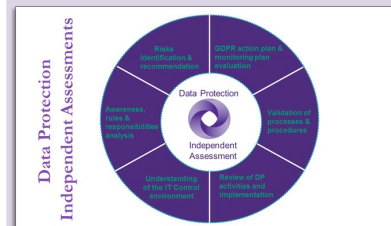
Data Protection Impact Assessments



Privacy Transformation



Data Protection Assessment/Audit



Thank you

Any Questions?



Shane Carrick

Director, Data Protection Practice Lead

E shane.carrick@ie.gt.com

P 086 872 6581

Data Protection as a Service

Grant Thornton can provide all types of support for your Data Protection projects



Subject Matter Expertise

- ✓ Deep GDPR and data protection law understanding and application
- ✓ Data Protection Officers
- ✓ IT and Cyber specialist skills
- ✓ Membership of International Association of Privacy Professionals (IAPP).
- ✓ Certified Information Privacy Technologists
- ✓ Certified Information Systems Auditing
- ✓ Certified Information Security Management



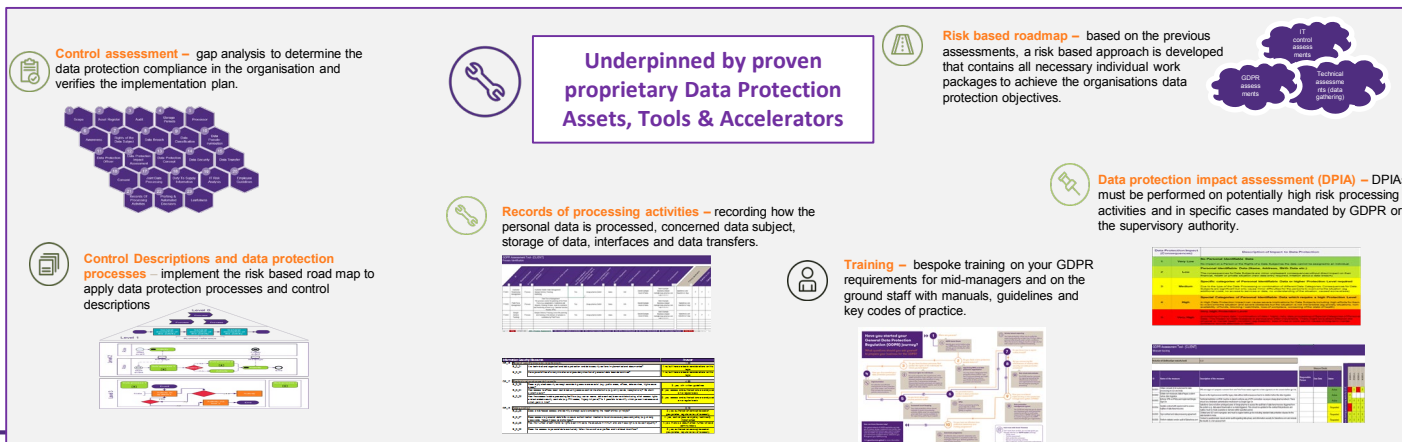
Programme Management & Stakeholder Management

- ✓ Prince2 and PMI Qualified Project Managers
- ✓ C-Suite and Senior Executive Stakeholder Management
- ✓ Cross industry GDPR and data protection experience
- ✓ Departmental workstream leads
- ✓ Project Governance design and execution
- ✓ Qualified Change Management professionals



Delivery Capability

- ✓ Trained in delivery of Data Protection capabilities
- ✓ Policy writing and reviewing
- ✓ Process and procedure creation and review
- ✓ Operating model design and implementation
- ✓ Third Party Management
- ✓ Data Privacy Impact Assessment (DPIA) delivery
- ✓ IT systems reviews and data mapping



Data Protection as a Service (DPaaS)

