

Data Ethics Policy



1. Introduction

For Matas, it is crucial that our customers, employees and other stakeholders can feel confident that Matas processes their data according to careful ethical considerations and with an always high focus on security. Our ethical considerations in connection with responsible use of data and new technologies is how we define data ethics.

It is Matas' stated goal that data from our customers, employees and other stakeholders must never be used for purposes that the individual does not agree with and is not fully informed about, and that there shall always be full transparency for the individual, including as to how a person can manage his or her own data. At Matas, everyone must experience that their data is treated with respect, and that we as an organization make the ethically correct choices, regardless of whether the legislation allows something else or something more.

As part of Matas' work to ensure security for all stakeholders in relation to the data we process, Matas has prepared this Data Ethics Policy, which describes how we work with data ethical questions. This Data Ethics Policy in its most recent form is available on matas.dk [here](#) together with our other policies for, among other things, Social Responsibility and Diversity. A description of how Matas specifically processes personal information regarding Club Matas members can be found in Club Matas' Terms and Conditions [here](#). Our general Privacy Policy for customers and partners can also be found [here](#). Our Employee Privacy Policy is handed out to every employee and is available on our intranet - Stribenettet.

2. Governance when working with data ethics in Matas

The Board of Directors is responsible for approving and supervising compliance with Matas' Data Ethics Policy, and the Audit Committee assesses the Policy's suitability, adequacy and effectiveness at least annually.

The operational responsibility for working with data ethics in Matas is anchored in Matas' Data Ethics Committee (hereinafter MDC), which consists of leading figures within IT, Organization, Communication, Club Matas, E-Commerce and Legal. The committee is chaired by Matas' Head of Legal and reports to Matas' Executive Management. MDC meets every quarter or when necessary, to discuss the work with data ethics and decide on new ways of processing data, specific cases and questions from the organization and the outside world.

MDC is responsible for ensuring that the daily work in Matas always reflects the principles of Matas' Data Ethics Policy, and that our data ethics work is based on the recommendations from the **Expert Group on Data Ethics**¹ from November 2018, which will ensure that Matas uses data according to the following criteria:

¹ In March 2018, the Expert Group on Data Ethics was appointed by the Danish government to, among other things, prepare data ethics recommendations and look at how responsible use of data can become a competitive advantage for Danish companies.

SELF-DETERMINATION

The individual must retain as much control as possible over their own data

EQUALITY AND JUSTICE

Technology must not discriminate

DIGNITY

The inherent dignity of the individual must be weighted over profit

PROGRESSIVITY

The societal advances from the use of data can be achieved through the use of data ethics solutions

RESPONSIBILITY

All entities must be responsible for the consequences of their technological solutions

DIVERSITY

If possible, professionals of different genders, ages, ethnicities etc. must be involved when developing technological solutions

These criteria are the foundation for Matas' processing of all data, regardless of who the data relates to (employees, customers or partners) and are reflected in the way we process personal data including Club Matas membership data and in our focus on security as described below.

This Data Ethics Policy is handed out to all employees upon employment. Our employees also undergo ongoing training in the safe and correct processing of personal information. Questions regarding data ethics as well as reports of violations of the Data Ethics Policy can be directed to dataetik@matas.dk, or anonymously via Matas' Whistleblower scheme [here](#).

3. Data sharing and processing of Club Matas' member data

The use of new technologies and considerations on data ethics are particularly relevant to our work with Club Matas due to the amount of data and the level of detail. We have more than 1.8 million Club Matas members, which makes Club Matas one of Denmark's largest loyalty programs. Our customers' data is a valuable and fragile resource, which we have both ethical and legal obligation to protect as best we can.

Via Club Matas, we collect data from members, both when registering and when they use their membership to buy or search for items on our platforms. It is basic information such as contact information, gender and age, stated interests within Matas' product range and purchase history. The purpose is for members to get the most out of their membership by targeting our communications to the members and providing them with better and more relevant offers based on their purchase history and behavior on Matas' platforms.

When Club Matas was founded in 2010, we decided not to use personal data of the members for resale, just as we do not buy or otherwise collect personal data about our members from third parties. The members show us confidence by entrusting us with their data when they shop in Matas and use our platforms. We want to live up to this trust by using only the data that the members themselves have chosen to give us. In this way, it becomes transparent to the member what data we process about him or her.

4. Use of new technologies and artificial intelligence in Club Matas

Member data is used by Club Matas across our available sources. This means that information about e.g. age group, buying behavior and use of Matas 'platforms (click behavior) are processed together in order to structure our member communication and enable us to offer each member the most relevant member benefits and offers for him/her.

We use well-known methods such as 'Collaborative and content-based filtering' to prepare product recommendations for our members. When we use new technology such as artificial intelligence, it is only done according to prior data ethical considerations, where we add our own business rules to the technology systems, so that it is not only the algorithm which determines which recommendation is given to each member. For example, we have chosen to exclude products for intimate use from targeted marketing, no matter what the algorithm would otherwise recommend. The reason for this is that we want to maintain a balance where we respect that there may be areas where our members do not want or expect to receive recommendations from us.

Before we make new types of recommendations, we perform internal tests, where test persons give feedback on the recommendations given, and any inconveniences in the algorithm are adjusted.

5. Security

Matas operates a security policy with strict management of access rights that ensures that only specially designated persons have access to specific data about individuals. To prevent accidental access to data or outright cyberattacks, we always use the latest network security technologies, 2 factor validation of privileged remote access as well as a large segmentation of the network. The entire infrastructure is monitored 24/7 by an external Security Operations Center (SOC), which monitors and correlates incidents in the network related to the security around systems and data.

In addition, we use independent external security companies that continuously perform penetration tests from external touch points towards our network in order to verify that the implemented security systems work as intended.

6. Availability of own data and deletion

Our customers, employees and other stakeholders can always request insight into what personal information we have processed about the person in question and ask to have it corrected or deleted if it is incorrect, incomplete or irrelevant.

We have implemented deletion routines to secure, so that Matas does not retain information longer than necessary for the collaboration, regardless of whether you are a customer or an employee. For Club Matas, if a member withdraws from Club Matas, all personal information about the member will be deleted 30 days after the withdrawal.

Approved by the Board of Directors of Matas A/S on 7 February 2023.

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