

Klarna Bank AB

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Decision after supervision according to

data protection regulation - Klarna

Bank AB

Content

The Privacy Protection Authority's decision..... 2

1 Account of the supervisory case..... 3

2 Justification of decision..... 4

2.1 Applicable regulations..... 4

2.2 IMY's assessment of whether Klarna's Data Protection Information meets the requirements of articles 5.1 a, 5.2, 12, 13 and -14 of the data protection regulation..... 7

2.2.1 IMY's assessment of Klarna's information according to Article 13.1 c..... 7

2.2.2 IMY's assessment of Klarna's information according to Article 13.1 e..... 9

2.2.3 IMY's assessment of Klarna's information according to Article 13.1 f..... 11

2.2.4 IMY's assessment of Klarna's information according to Article 13.2 a..... 12

2.2.5 IMY's assessment of Klarna's information according to Article 13.2 b..... 14

2.2.6 IMY's assessment of Klarna's information according to article 13.2 f and 14.2 g..... 18

3 Choice of intervention..... 22

3.1 Legal regulation..... 22

3.2 Penalty fee..... 23

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The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

2(25)

The Privacy Protection Authority's decision

The Swedish Data Protection Authority (IMY) notes that Klarna Bank AB (Klarna) under the period from 17 March 2020 to 26 June 2020 did not provide information about which purposes and with the support of which legal basis the personal data processing regarding the "My Finances" service took place. Klarna thereby processed personal data in violation of articles 5.1 a, 5.2, 12.1 and 13.1 c of the data protection regulation¹.

IMY states that Klarna during the period from 17 March to 26 June 2020 left incomplete and misleading information about who was the recipient of different categories of personal data when such was shared with Swedish and foreign credit reporting company. Klarna thus processed personal data in violation of articles 5.1 a, 5.2, 12.1 and 13.1 e of the data protection regulation.

IMY notes that Klarna during the period from 17 March to 26 June 2020 did not

provided information about which countries outside the EU/EEA as personal data was transferred and where and how the individual could access or obtain documents regarding the protective measures that applied to the transfer to third countries. Klarna thereby processed personal data in violation of articles 5.1 a, 5.2, 12.1 and 13.1 f i data protection regulation.

IMY states that Klarna during the period from 17 March to 26 June 2020 left incomplete information about the periods during which personal data would be collected stored and the criteria used to determine these periods. Klarna thereby processed personal data in violation of articles 5.1 a, 5.2, 12.1 and 13.2 a of data protection regulation.

IMY states that Klarna during the period from 17 March to 26 June 2020 left insufficient information regarding the rights of the data subjects as follows.

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the information provided about the right to by the personal data controller request deletion of personal data in accordance with Article 17 of the Data Protection Regulation did not comply with the requirement of transparency

the information provided about the right to by the personal data controller request restriction of the processing concerning the data subject in accordance with Article 18 i the data protection regulation did not comply with the requirement of transparency

the information provided on the right to data portability pursuant to Article 20 i the data protection regulation did not comply with the requirement of transparency

information provided on the right to object to the processing of personal data according to Article 21 of the Data Protection Regulation did not comply with the requirement

on openness.

1 Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with
regarding the processing of personal data and on the free flow of such data and on the cancellation of
directive 95/46/EC (General Data Protection Regulation).

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

3(25)

Klarna thus processed personal data in violation of articles 5.1 a, 5.2, 12.1 and
13.2 b of the data protection regulation.

IMY notes that Klarna's Data Protection Information during the period from March 17 to
on June 26, 2020 lacked meaningful information about the logic behind it as well as the meaning
and the anticipated consequences of automated decision-making, including profiling;
according to article 22.1 of the data protection regulation. Klarna dealt with it
personal data in violation of articles 5.1 a, 5.2, 12.1, 13.2 f and 14.2 g i
data protection regulation.

IMY decides with the support of articles 58.2 and 83 of the data protection regulation that Klarna
Bank AB must pay an administrative sanction fee of 7,500,000
(seven million five hundred thousand) kroner.

1 Description of the supervisory matter

Klarna provides partly services that involve credit, partly payment services such as
does not include credit granting, including payment initiation services and
account information services. IMY has taken note of Klarna's Data Protection Information which
is published on the company's Swedish website (<https://www.klarna.com/se/>). IMY has
in connection with that it has been established that there is uncertainty about, among other things, for whom

purpose personal data is collected and processed and how the data subsequently thinned out.

Article 5.1 a of the data protection regulation states, among other things, that personal data must be processed in an open manner in relation to the data subject (principle of transparency).

It further follows from Article 5.2 that the person in charge of personal data shall be responsible for and be able to demonstrate that the principles stated in 5.1 are complied with (the principle of responsibility).

IMY has initiated supervision of Klarna to investigate to what extent Klarna's

Data protection information meets these requirements. IMY has, within the scope of supervision, reviewed how Klarna complies with the regulations on clear and unambiguous information and

communication according to article 12.1 and the right to information to personal data according to

articles 13 and 14 and the right to information about the right to object under

article 21.4. IMY has not taken a position on Klarna's processing of personal data i

otherwise is in accordance with the data protection regulation.

The supervision has taken place through an exchange of letters. The supervision was initiated on 27 March 2019 by that IMY sent a letter to Klarna with questions about the company's

personal data processing. The questions were based on the information provided by Klarna

provided about its personal data processing in the one published at this time

The data protection information on the company's Swedish website. Klarna came in with one

opinion on 26 April 2019. An appendix with a summary was attached to the opinion

about the purposes for which each category of personal data was processed

indication of the applicable retention period. Klarna subsequently revised its

Data protection information as of 19 July 2019. Due to Klarna's statement and

The company's revised Data Protection Information asked IMY supplementary questions

the company in a letter on 1 August 2019. Klarna subsequently submitted a statement on

27 September 2019. Klarna subsequently revised its Data Protection Information as of 17

March 2020. Klarna again revised its Data Protection Information on June 26, 2020.

IMY has also obtained the terms of service for the account information service "My Finances"

because Klarna stated in its first statement to IMY that the consumer accepts

"special conditions" for this service. IMY's assessment refers to Klarna's

Data protection information as it was designed from 17 March 2020 to 26 June

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

4(25)

2020, Appendix 1, and Klarna's Terms of Use as they were drafted on April 2, 2020,

Appendix 2. IMY explains what Klarna has stated in its statements in the relevant parts below

the rationale for the decision below.

2 Justification of decision

2.1 Applicable regulations

Article 5.1 a of the data protection regulation states, among other things, that the data must

be processed in a legal, correct and transparent manner in relation to the data subject

(legality, correctness and transparency).

It further follows from Article 5.2 that the person in charge of personal data shall be responsible for and

be able to demonstrate that the principles listed in 5.1 are complied with (accountability).

It follows from Article 12.1 of the data protection regulation that the person in charge of personal data must

take appropriate steps to provide to the data subject any information which

is referred to in Articles 13 and 14 and all communications under Articles 15-22 and 34

which refers to treatment in a concise, clear and clear, comprehensible and easily accessible form,

using plain language, especially for information that is specific

aimed at children. The information must be provided in writing, or in some other form,

including, where appropriate, in electronic form. If the registered person requests it, they can

the information is provided verbally, provided that the identity of the data subject has been proven

in other ways.

Article 13 of the data protection regulation stipulates what information must be provided if the personal data is collected from the data subject. This is apparent from Article 13.1 that if personal data relating to a registered person is collected from the registered person, shall the personal data controller, when the personal data is obtained, to the data subject provide information as stated in article 13.1 a-f. It follows from Article 13.2 that the personal data controller during the collection of the personal data, in addition to that information as referred to in point 1, must provide the registered with additional information according to 13.2 a-f, which is required to ensure fair and transparent treatment. According to Article 13.3 must also the person in charge of personal data, if he intends to process the personal data for a purpose other than that for which they were collected, prior to this further processing provide the data subject with information about this other purpose as well additional relevant information according to point 2. From article 13.4 it appears that points 1, 2 and 3 shall not be applied if and to the extent that the data subject already possesses the information.

It follows from reason 39 that any processing of personal data must be legal and fair.

It should be clear to natural persons how personal data concerning them collected, used, consulted or otherwise processed and in which extent the personal data is or will be processed.

The principle of openness requires that all information and communication in connection with the processing of this personal data is easily accessible and easy to understand and that a clear language is used. That principle applies above all to the information registered about the identity of the personal data controller and the purpose of the processing as well as additional information to ensure fair and open treatment for those concerned natural persons and their right to obtain confirmation of and notification of which personal data concerning those being processed. Natural persons should be made aware

about risks, rules, protective measures and rights in connection with the processing of

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

5(25)

personal data and about how they can exercise their rights with respect to the treatment.

From recital 60 it appears that the principles of fair and open treatment require that it data subjects are informed that processing is taking place and the purpose of it. The personal data controller should provide the data subject with any additional information that required to ensure fair and open treatment, taking into account the specific circumstances and context of the personal data processing. In addition the data subject should be informed about the existence of profiling and about the consequences of such profiling. If the personal data is collected from it registered, he or she should also be informed if he or she is obliged to provide the personal data and about the consequences if he or she does not provide them. This one information may be provided combined with standardized symbols to provide a clear, comprehensible, easy to read and meaningful overview of the planned the treatment. If such symbols are displayed electronically, they should be machine readable.

From reason 61 it follows, among other things, that information on the processing of personal data relating to the registrant should be given to him or her at that time the personal data is collected from the data subject or, if the personal data is obtained directly from another source, within a reasonable period, depending on the circumstances i the case. If personal data can legitimately be disclosed to another recipient, they should registrants are informed the first time the personal data is disclosed to them receiver.

Regarding the concept of profiling, this is defined in Article 4.4 as any form of automatic processing of personal data which consists in that these personal data used to assess certain personal characteristics of a natural person, in particular to analyze or predict this natural person's work performance, financial situation, health, personal preferences, interests, reliability, behavior, whereabouts or movements,

Article 22 regulates automated individual decision-making, including profiling. Of the provision states that the registered person shall have the right not to be subject to a decision which is solely based on automated processing, including profiling, which has legal consequences for him or her or similarly significantly affect him or her. Examples of such decisions are stated in recital 71, among other things automated rejection of an online credit application. Exceptions to this prohibition apply if the decision is necessary for entering into or fulfilling an agreement between it registered and the personal data controller, such decisions are permitted under Union law or the national law of a Member State to which the personal data controller is subject and which establishes appropriate measures to protect the data subject's rights and freedoms and legitimate interests, or is based on the express consent of the data subject.

If exceptions may be made in connection with an agreement or due to consent, it must personal data controller implement appropriate measures to ensure it data subject's rights, freedoms and legal interests, at least the right to personal contact with the person responsible for personal data in order to be able to express their opinion and dispute the decision.

Finally, the previously so-called Article 29 working group has produced guidelines on partly transparency, WP260 rev.01 (WP260), partly about automated individual decision-making and profiling, WP251 rev.01 (WP251), which are explained in relevant parts under IMY's assessments below. The European Data Protection Board, EDPB, has

endorsed these guidelines. Initially, however, the following can be highlighted. Article

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

6(25)

The 29 working group underlines in WP260 that transparency is an overarching obligation according to the data protection regulation which is applied to three central areas; i) how they data subjects may be informed about fair treatment, ii) how the personal data controllers communicates with the data subjects in relation to their rights under the data protection regulation, and iii) how the data controllers facilitate them were registered exercising their rights. Openness is also an expression of it principle of fairness in the processing of personal data as stated in Article 8 of the EU Charter about the fundamental rights.

Article 12 stipulates how information provided to the data subject must be designed, namely in a concise, clear and distinct, comprehensible and easily accessible form, with use of clear and unambiguous language, especially for information specifically aimed at children.

The information must be provided in writing, or in any other form, including, when so is appropriate, in electronic form. If the data subject requests it, the information is provided provided orally, provided that the identity of the data subject has been proven in other ways.

Article 13 of the data protection regulation sets requirements for which information the the personal data controller must provide the data subject if the personal data is collected in from the data subject and when the information must be provided, namely when the personal data is obtained from the data subject.

However, neither article 12 nor 13 regulates in detail in what form or where the information should be is given to the registered person. From WP260 it appears that the information should be published in for example, a data protection information that is made available on it

website of the personal data controller. Furthermore, it appears that on each side of website there should be a clearly visible direct link to the data protection information that shall have been provided with an appropriate heading (e.g. "Privacy", "Privacy Policy" or "Data protection notice"). The Article 29 Working Party therefore recommends a best practice which means that a link to the data protection information is provided or that such information is given on the same page from which the personal data is collected, when personal data is collected online. Furthermore, the Article 29 Working Party considers that a layered data protection information should be used if the data controller has one website so that visitors to the website can navigate to particular parts of the data protection information that is of greatest interest to them. All the information that addressed to the registered should, however, also be available to them on one and the same location or in a complete document (in digital or paper format), as they data subjects can easily access if they wish to read all the information addressed to them.

The following also appears from the aforementioned guideline, pp. 7-9:

"The requirement that information provided or communicated to the data subjects shall be in a "concise, clear and clear" form means that the personal data controllers should present the information/communicate effectively and concisely to avoid information exhaustion. The information should be clearly distinguished from other information such as does not relate to privacy, for example contractual provisions or general terms of use. IN internet context, layered privacy policies/privacy notices may do so possible for the registered to go directly to a certain part of the privacy policy/notice they want to read, rather than scrolling through large amounts of text to find the part in question.

The requirement that the information be "understandable" means that it should be able to be understood by one average member of the intended target group. Comprehension is closely related to the requirement for clear and unambiguous language. A data controller will gain knowledge

about the people about whom they collect information and can use this to

determine what would likely be comprehensible to the target audience [...]

An important aspect of the principle of openness described in these provisions is that they

registered in advance should be able to determine the purpose and consequences of

the treatment and that it should not come as a surprise to them later on

stage how their personal data has been used. This is also an important aspect of

the fairness principle according to Article 5.1 of the Data Protection Regulation, where there actually is one

connection to recital 39 which states that natural persons "should be made aware of risks,

rules, safeguards and rights in connection with the processing of

personal data". Regarding complex, technical or unexpected data processing

in particular, the Article 29 Working Party believes that data controllers not only

should provide such information as is specified in Articles 13 and 14 (which

dealt with later in these guidelines), without they should also state, in a separate section and

in unambiguous language, the most significant consequences of the treatment, with

in other words, how the special treatment specified in a privacy policy/one

privacy notice will actually affect the data subjects. In line with

the responsibility principle and reason 39, the personal data controllers should assess whether

special risks exist for natural persons whose personal data is processed on a

in such a way, to which the data subjects should be alerted. That way you can get one

overview of the types of treatments that could have the greatest impact on them

data subject's fundamental rights and freedoms in terms of the protection of their

personal data.

"Easily accessible" means that the data subjects should not have to search for the information;

it should be immediately obvious to them where and how they can access the information,

for example by the information being given directly or linked to the registered, through

clear guidance or as an answer to a question from a natural person (e.g. in a

privacy policy/a multi-layer privacy notice online, in "Frequently Asked Questions", via

contextual pop-up messages that are activated when the registrant fills in one

online forms or in an interactive digital context via a chatbot interface etc [...]

The requirement for clear and unambiguous language means that the information should be given in such a simple way

way possible and that complicated sentences and language structures should be avoided.

The information should be concrete and precise, and it should not be abstract or ambiguous

or can be interpreted in different ways. Above all, the purposes of and the legal bases should

for the processing of the personal data be clear."

In what follows, IMY assesses whether the requirements for openness and information are met in various ways

parts through Klarna's Data Protection Information as it was designed during the period 17

March to June 26, 2020.

2.2 IMY's assessment of Klarna's Data Protection Information

meets the requirements in articles 5.1 a, 5.2, 12, 13 and -14 i

data protection regulation

2.2.1 IMY's assessment of Klarna's information according to Article 13.1 c

According to Article 13.1 c of the data protection regulation, information must be provided about the purposes

with the processing for which the personal data is intended as well as the legal one

the basis of the treatment.

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

Klarna's Data Protection Information

Section 2 of Klarna's Data Protection Information has the heading "What personal data do we use?". Section 2.2 is entitled "Information we collect about you" and of that the opening paragraph follows "Depending on which Services you choose to use, we can may collect the following information about you, either themselves or via third parties (for example, credit reporting agencies, anti-fraud agencies, stores or public databases)". This is followed by an enumeration of what information it "can" move around. From the last point in the enumeration, it appears "Service-specific personal data - within the framework of some of our Services, we can collect and process additional personal data not covered by the categories above. See Section 4 below for to find out what these additional personal data are for the respective Service."

Section 3 of the Data Protection Information has the heading "Which personal data do we process, for what purpose, and with what legal basis?" and of the opening paragraph is stated "Depending on which Services you use, Klarna may process your personal data for the purposes listed below, supported by the legal grounds which is accounted for at each purpose. You can see more specific information about how your personal data is processed in some of our Services in Section 4 below.". Thereafter follows a table with three columns, where the first column indicates the purpose of the processing, the second column the personal data being processed and the third column legal basis for the treatment.

Section 4 of the Data Protection Information has the heading "Especially if personal data processing in some of Klarna's Services" and of the introductory paragraph appears "This section describes certain processing of your personal data which is specific to a particular Service. To get more information about our Services and theirs functionality see the terms of use for the respective Service."

IMY's assessment

IMY states that the Data Protection Information Section 4 regarding the service "Min economy" lacks clear information about the purposes of the treatments for which the personal data is intended as well as the legal grounds for the processing in conflict with the requirement in Article 13.1 c of the data protection regulation. The service "My Finances" is mentioned in Section 4.4 of the Data Protection Information, which has the heading "Klarnas user experience provided in accordance with Klarna's Terms of Use". It appears below subheading "Klarna app" that "If you use the Klarna app, will personal data to be processed to provide the Services you choose to use inside the App, such as: [...]", followed by a list of different services in a bulleted list.

One of these services is the "My Finances" service:

"Your connected bank accounts (Service My Finances): Through this Service you can you an overview of your entire finances, not just of your transactions with Klarna, but also over connected accounts. When you choose to use this Service will Ready to process information about the bank accounts and other accounts (such as card accounts) you choose to connect, and collect information such as account number, bank, historical transactions from connected accounts, as well as balance and assets. Based on Klarna will visualize that information and give you tools to control your finances, using offers tailored to your specific situation (which may involve profiling as described in Section 6). This is done by comparing your expenses with expenses from other users of the Service. Based on the comparison, we can,

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

9(25)

together with partners to us, offer ways to minimize your fixed and variable costs."

There is no information regarding with the support of which legal basis personal data processing regarding the "My Finances" service takes place. In addition it does not appear in a clear way from the information contained in the enumeration in Section 4.4 in the Data Protection Information above, which specific personal data is processed within the scope of the service or the specific purposes of the processing for which the personal data is intended. IMY further notes that the service "Min Ekonomi" does not is mentioned in Klarnas terms of use, which are generally available on Klarnas Swedish website, see appendix 2 (Klarna's terms of use updated on April 2 2020). Any separate terms or separate data protection information relating to the Service, is also not generally available on Klarna's Swedish website. This notwithstanding that Klarna, on page 9 of its first statement to IMY, dated 26 April 2019, has stated that the "My Finance" service is an account information service available in the Klarna app after acceptance of "Klarna's Terms of Use" and that the consumer also accepts "special conditions" for the service.

The special conditions, "Terms of service for the service My Economy", may be taken by the consumer part of when the service is accepted. Regarding information about personal data processing according to the data protection regulation, the special conditions only refer back to

The data protection information. The additional information that according to Section 4 i

The data protection information must appear in the special terms and conditions are thus missing.

IMY considers that the information that Klarna provides about the purposes of the processing and the legal grounds for the processing do not meet the requirements of Article 13.1 c i data protection regulation. The information is not concise, clear and clear and neither readily available. It therefore does not meet the requirements of Article 12.1.

IMY assesses that the violation of Article 13.1 c of the data protection regulation, with account also taken of other violations of articles 13 and 14 that appear from this decision, is so serious that it also involves a violation of articles 5.1

a and 5.2.

IMY therefore states that Klarna violates articles 5.1 a, 5.2, 12.1 and 13.1 c i data protection regulation.

2.2.2 IMY's assessment of Klarna's information according to Article 13.1 e

According to Article 13.1 e, information must be provided about the recipients or the categories of recipients who must access the personal data, where applicable.

Klarna's Data Protection Information

In section 7 Data protection information, Klarna informs which stakeholders it data subject's personal data may be shared with In subsection 7.4 is described how information is shared with credit reporting agencies. Paragraph one states the following:

7.4 Credit reporting agencies

If you apply to use a Service which means that credit is provided (see Section 4.1 above regarding which Services include credit), your personal data may come

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

10(25)

to be shared with credit reporting agencies, for the following purposes: To assess your creditworthiness in connection with your application for one of Klarna's payment methods, that confirm your identity and contact details, as well as protect you and other customers from frauds. Your phone number and address may also be shared credit reference agencies so that they can send a notification that a credit report carried out on you. Depending on the rules of the country where you live sent a physical letter with information that a credit report has been made on you to you, or the letter is sent electronically. Your payment behavior may is reported back to the credit reporting agencies by Klarna, which may occur

affect your future credit rating. When a credit reporting agency receives a request for credit report from us, they may place a note on your profile, which may be seen by other companies providing credit. The credit reporting agencies may share your data with other organisations. The credit reporting agencies we cooperate with in Sweden, you can see [here](#).

Klarna has on pages 21-22 of its second statement to IMY dated 27 September 2019 more precisely specified the meaning of the information.

Klarna states, regarding information relating to identification, which information is shared with credit reporting companies for the purposes specified in paragraph one varies depending on whether the consumer is shopping in a country that has social security numbers or not. In countries where social security number is available, Klarna only includes the consumer's social security number with credit reporting companies for the requested purposes (identification). Klarna doesn't have to share personal information such as address and phone number with credit reference agencies in Sweden to identify the registered person. In countries where social security numbers do not exist Klarna usually needs to share the consumer's name, address, date of birth and telephone numbers with credit reference agencies for specified purposes.

With regard to the release of information about the data subject's payment behavior states Klarna that information on payment behavior is not reported in Swedish credit reporting company. If, and to what extent, Klarna reports back payment behavior to credit reporting companies in other countries where Klarna offers its services vary depending on the respective country's legislation and the agreement as Klarna has with the respective credit reporting companies.

IMY's assessment

IMY states that the information in the Data Protection Information refers to the disclosure of personal data to both Swedish and foreign credit reporting companies. Which type of information that is disclosed to Swedish and foreign parties

credit reporting company is not stated.

IMY considers that the information that Klarna provides about how information is shared with credit reporting companies do not meet the requirement of transparency. The information is incomplete and does not explain which information is provided to Swedish respectively foreign credit reporting companies. The data subject may, among other things, be led to believe that information about payment behavior at Klarna is disclosed to, and registered by, Swedish credit reporting company. This is downright misleading.

IMY considers that the information that Klarna provides about the categories of recipients who must access the personal data does not meet the requirements in Article 13.1 e i data protection regulation. The information is not concise, clear and clear and neither readily available. It therefore does not meet the requirements of Article 12.1.

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

11(25)

IMY assesses that the violation of Article 13.1 e of the data protection regulation, with account also taken of other violations of articles 13 and 14 that appear from this decision, is so serious that it also involves a violation of 5.1 a and 5.2.

IMY therefore states that Klarna violates articles 5.1 a, 5.2, 12.1 and 13.1 e of data protection regulation.

2.2.3 IMY's assessment of Klarna's information according to Article 13.1 f

According to Article 13.1 f, information must be provided that the person in charge of personal data intends to transfer personal data to a third country or an international organization and whether a decision by the Commission on adequate level of protection is present or absent or, in the case of the transfers referred to in Article 46, 47 or Article 49(1) other the paragraph, reference to suitable or appropriate protective measures and how a copy of

they can be obtained or where these have been made available.

Klarna's Data Protection Information

Section 8 of the Data Protection Information has the heading "Where do we process your data".

personal data?" and from this follows:

"We always strive to process your personal data within the EU/EEA. In some situations, such as when we share your information within the Klarna group or with a supplier or subcontractor with operations outside the EU/EEA, can your personal data will, however, be processed outside the EU/EEA. About the store you shop at at is outside the EU/EEA, our sharing with the store will also mean that your data is transferred outside the EU/EEA.

We ensure that an adequate level of protection is available, or that appropriate protective measures are taken in accordance with applicable data protection requirements, such as GDPR, when we transfer your data outside the EU/EEA. These protective measures consist of ensuring that the third country to which the data is transferred is subject to a decision by the EU the Commission that there is an adequate level of protection, that the EU Commission's standard clauses have been entered into between Klarna and the recipient, or that the recipient is registered under the so-called US Privacy Shield procedure."

IMY's assessment

Of the Article 29 Working Party's comments on the information requirement in the guideline on transparency, pages 39-40 of WP260, the following appears regarding article 13.1 f:

"Information should be given on the relevant article of the data protection regulation for transfer and associated mechanism (e.g. decision on adequate level of protection according to Article 45/binding corporate regulations under Article 47/standardized data protection regulations according to Article 46.2/exceptions and protective measures according to Article 49, etc.). Furthermore, should information is given about where and how to access or obtain the document in question, for example by linking to the mechanism used. According to the principle of justice, it should

information provided about transfer to third countries be as meaningful as possible for those registered. This generally means that the names of the third countries must be stated."

IMY states that Klarna's Data Protection Information lacks information about where and how the individual can gain access to or obtain documents regarding the protective measures for

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

12(25)

transfer as described in the Data Protection Information. Furthermore, there is no information about which countries outside the EU/EEA to which personal data is transferred, according to Article 29- the working group's recommendation above.

IMY considers that the information that Klarna provides that the personal data controller intends to transfer personal data to a third country and whether a decision by the Commission on the existence or absence of an adequate level of protection or, as far as they are concerned transfers referred to in Article 46, 47 or Article 49(1) second paragraph, reference to suitable or appropriate safeguards and how or where a copy of them may be obtained these have been made available do not meet the requirements of Article 13.1 e i data protection regulation. The information is not concise, clear and clear and neither readily available. It therefore does not meet the requirements of Article 12.1.

IMY considers that the violation of Article 13.1 f of the data protection regulation, with regard taken also to other violations of articles 13 and 14 that appear from this decision, is so serious that it also involves a violation of articles 5.1 a and 5.2.

IMY therefore states that Klarna violates articles 5.1 a, 5.2, 12.1 and 13.1 f i data protection regulation.

2.2.4 IMY's assessment of Klarna's information according to Article 13.2 a

According to Article 13.2 a, information must be provided about the period during which the personal data will be stored or, if this is not possible, the criteria that used to determine this period.

Klarna's Data Protection Information

Section 9 of the Data Protection Information has the heading "How long do we save your data for?" personal data?" and from this the following appears:

"We will process your personal data for the period of time necessary to fulfill the respective purposes for our treatment. These purposes are presented in this Data protection information. This means that when we stop processing your personal data for a specific purpose, we may still retain the data for as long as the data is needed for other purposes, but then only for processing in accordance with them remaining purposes. Especially:

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As long as you accept Klarna's Terms of Use and until you cancel these (by contacting us or by instructing us to remove your personal data through a request to be deleted) we will process the personal data we need to provide our Services to you, which includes information about your past purchases.

We process personal data in credit information for the purpose of re-assess your creditworthiness for up to 90 days from the the credit report was taken.

We process information about debts for the purpose of assessing your creditworthiness for a period of three (3) years after the debt has been settled - which takes place either through payment of the debt or that the debt is written

of or sold.

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

13(25)

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We process recorded phone calls to Klarna's customer service for up to 90 days from the day of recording.

We process personal data for the purpose of complying with applicable law legislation, such as consumer law, banking and money laundering legislation, and accounting rules. Depending on which legislation that is applicable, your personal data may be saved in up to ten years after the customer relationship has ended."

IMY's assessment

Of the Article 29 Working Party's comments on the information requirement in the guideline on transparency, page 40 of WP260, the following appears regarding Article 13.2 a:

"This is related to the requirement for information minimization in Article 5.1 c and on storage limitation in Article 5.1 e. The storage period (or the criteria used to determine this) may be governed by factors such as statutory requirements or guidelines within the industry, but it should be stated in such a way that it registered, based on its own situation, can assess the storage time for specific tasks/purposes. It is not enough to the personal data controller generally states that the personal data is kept for that long which is necessary for the legitimate purposes of the processing. In relevant cases should different storage times be specified for different categories of personal data and/or different processing purposes, including archiving time in appropriate cases."

Klarna has, on page 13 of its first statement to IMY, dated 26 April 2019, stated that the purposes for which each category of personal data is processed, with applicable storage time, is reported in an appendix that has been submitted to IMY. The appendix consists of a table with three columns, where the left column reports the purposes of the treatment based on the (currently valid) description i

The data protection information, the column in the middle reports the time for which Klarna processes the current category of personal data for the current purpose, i.e. the storage time, and the right-hand column reports comments aimed at special conditions for the processing for more specific purposes or more specific personal data exists. Here it appears that Klarna processes and stores personal data for more purposes than what appears in section 9 of Klarnas data protection information. It appears, among other things, that personal data is processed and stored for research purposes for two years.

Furthermore, on pages 13-14 of the above-mentioned statement, Klarna has stated that, in addition to for the purposes stated in the aforementioned appendix, Klarna processes personal data within the framework of Klarna's customer service as follows:

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"Incoming phone calls are recorded for quality and security reasons.

The recordings are saved for this purpose for 3 months, after which they are deleted.

Incoming and outgoing emails are kept for 7 years from the time the message was received or sent.

☐ Information that an individual consumer has chosen to block himself from using Klarna's credit products are saved to handle the blocking until the consumer himself announces that he wishes to lift the blocking (i.e. as a starting point until further notice).

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

14(25)

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Records relating to a dispute or other types of disputes are kept in 10 years from the time of closing the case. The reason for this is that a consumer at a later stage may contact Klarna in the same or similar matters. The time period is based on the statute of limitations according to the Prescription Act (1981:130).

Notes of other types than above are kept for 5 years from the time of the registration, i.e. from when the note was made. The reason for this is that a consumer at a later stage may contact Klarna in the same or similar matters.”

Of these purposes and retention periods, only the information on retention of incoming phone calls for quality and security reasons for three months that are found in section 9 of Klarna's Data Protection Information.

In light of what has been said, IMY believes that the information in Klarnas Data protection information does not comply with the requirement in Article 13.2 a of the data protection regulation that information must be provided about the period during which the personal data comes to be stored or the criteria used to determine this period when Cleared statement and appendix mentioned above clearly show that Klarna processes personal data for more purposes and have more detailed storage times, and also criteria such as used to determine these periods, which are not apparent from section 9 i The data protection information.

IMY considers that the information provided by Klarna about the period during which the personal data will be stored or, if this is not possible, the criteria that used to determine this period does not meet the requirements of Article 13.2 a.

The information is not concise, clear and clear, nor is it easily accessible. It fulfills thus not the requirements in Article 12.1.

IMY assesses that the violation of Article 13.2 a of the data protection regulation, with account also taken of other violations of articles 13 and 14 that appear from this decision, is so serious that it also involves a violation of articles 5.1 a and 5.2.

IMY therefore states that Klarna violates articles 5.1 a, 5.2, 12.1 and 13.2 a of data protection regulation.

2.2.5 IMY's assessment of Klarna's information according to Article 13.2 b

According to Article 13.2 b, information must be provided that there is a right to by it personal data controller request access to and correction or deletion of personal data or restriction of processing concerning the data subject or that object to processing and the right to data portability.

It follows from the Article 29 working group's guideline on transparency WP260 (pp. 27-28) that transparency entails three obligations for the personal data controller regarding them data subject's rights:

"• To inform the registered about their rights (according to the requirements of articles 13.2 b and 14.2 c).

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

15(25)

• To observe the principle of openness (i.e. in terms of the quality of communication according to art

12.1) when communicating with the data subjects about their rights according to articles 15–22 and Article 34.

- To facilitate the exercise of data subjects' rights in accordance with Articles 15–22.

The requirements of the data protection regulation regarding the exercise of these rights and the type of information required aims to give the data subjects a substantial opportunity to assert their rights and hold the data controllers accountable for the processing of their personal data. Recital 59 emphasizes that procedures should be determined "which makes it easier for data subjects to exercise their rights" and that the personal data controllers should also "provide aids for electronically submitted petitions, especially in cases where personal data is processed electronically". That procedure which a personal data controller determines in order for the data subjects to be able to exercise their rights should be appropriate to the extent and nature of that relationship and it interaction that exists between the personal data controller and the data subject. One the controller may therefore wish to establish one or more different procedures for the exercise of rights which reflect the different ways in which they registered interacts with the data controller."

Furthermore, the Article 29 Working Party makes the following comments on the information requirement i guideline WP260 (p.40-41), regarding article 13.2 b:

"This information should be specific to the treatment in question and include a summary of what the right entails, how the data subject can proceed to exercise it and what limitations the right may be subject to (see paragraph 68 above). In particular, the right to object to processing must be expressly communicated to it data subject no later than the first communication with the data subject and is reported clearly, clearly and separately from any other information.[...]"

IMY notes that in the Data Protection Information there is a special section, Section 10,

which has the heading "Your rights in relation to your personal data", which in turn to some extent refers to other sections of the Data Protection Information. However, IMY believes that The data protection information provides insufficient information regarding the data subjects rights, in violation of Article 13.2 b of the data protection regulation, as follows.

The right to erasure

Regarding the right to erasure (Article 17), follows from Section 10 of the Data Protection Information "Right to be deleted. You have the right to request the deletion of your personal data example when it is no longer necessary to process the data for the purpose they were collected, or if you withdraw your consent. As described in Sections 3 and 9 above, however, Klarna needs to comply with certain laws that prevent us from immediately deleting certain information."

IMY believes that this wording does not summarize the meaning of the right in an open way. According to Article 17 of the Data Protection Regulation, the data subject has the right to receive their personal data deleted by the personal data controller, which, however, is not one absolute right. Partly, there is an enumeration in the mentioned article regarding in which case the personal data controller is obliged to delete personal data without unnecessary delay, partly there are certain exceptions to this obligation for necessary treatment in some cases. It is not clear how this right relates to the right to

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

16(25)

make objections under Article 21. As the information is designed in

The data protection information regarding this right gives it a difficult to understand picture of what the right entails and in which cases it applies. That it refers to the general ones

Sections 3 and 9 of the Data Protection Information make it even less clear. IMY assesses

that the violation of Article 13.2 b regarding the requirement for information about the right to deletion, taking into account also other violations of articles 13 and 14 which appears from this decision, is so serious that it also constitutes a violation of articles 5.1 a and 5.2. IMY further considers that Klarna also does not meet the requirements for clear and clear information as stated in Article 12.1.

IMY therefore considers that the information in this part of the Data Protection Information does not complies with the requirement of transparency, especially in light of the statements above in the guidelines on transparency and thus states that Klarna violates articles 5.1 a, 5.2, 12.1 and 13.2 b of the data protection regulation.

The right to limitation

Regarding the right to limitation (Article 18), IMY states that it is missing information about this right in the Data Protection Information. In Section 10 i

However, the data protection information contains the following information "Right to oppose you processing of your personal data or object to our processing. If you considers that your personal data is incorrect or has been processed in violation of applicable law you have the right to ask us to stop the processing. You can also object to ours treatment when you consider that there are circumstances that make the treatment not carried out in accordance with current regulations. Furthermore, you can always object to us using your information for marketing."

IMY considers that the information provided is both incorrect and incomplete in relation to how the right is reflected in Article 18 of the data protection regulation. It summarizes thus not the right in a way that enables the data subjects to understand what it implies. This, in turn, makes it more difficult for those registered to protect their rights.

In addition to the information being incomplete, it also interferes with the right to object certain processing (marketing), without further developing what this right entails or in which situations it can be asserted (compare Article 18.1 d and

the reference to Article 21.1). IMY assesses that the violation of Article 13.2 b clause applies to the requirement for information about the right to limitation, also taking into account other violations of articles 13 and 14 that appear from this decision, are so serious that it also involves a violation of articles 5.1 a and 5.2. IMY believes furthermore, that Klarna also does not meet the requirements for clear and unambiguous information that appear of Article 12.1.

IMY therefore considers that the information on the right to limitation does not comply with the requirement transparency, particularly in light of the Article 29 Working Party statements above, and thereby states that Klarna violates articles 5.1 a, 5.2, 12.1 and 13.2 b of data protection regulation.

The right to data portability

Regarding the right to data portability (Article 20), follows from Section 10 i

The data protection information "Right to access your data. You can request a copy of your personal information if you want to know what information we have about you. This copy can also transferred in a machine-readable format (so-called "data portability").

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

17(25)

IMY does not consider that information about the right has been provided in an open manner, as it has been subsumed under the right of access even though data portability is a separate right according to article 20 of the data protection regulation, partly because it has not been summarized in one clear way that enables the data subjects to understand what the right entails.

According to Article 20, the right is aimed at the registered person having the right to receive them personal data concerning him or her in a structured, generally used and machine-readable format, and have the right to transfer these to another

personal data controller under certain conditions. IMY assesses that the violation of article 13.2 b regarding the requirement for information about the right to data portability, with account also taken of other violations of articles 13 and 14 that appear from this decision, is so serious that it also involves a violation of articles 5.1 a and 5.2. IMY further considers that Klarna also does not meet the requirements for clarity information that appears in article 12.1.

IMY therefore considers that the information regarding the right to data portability does not complies with the requirement of transparency, especially in the light of the Article 29 Working Party statements above, and states that Klarna violates articles 5.1 a, 5.2, 12.1 and 13.2 b of the data protection regulation.

The right to object

With regard to the right to object (Article 21), IMY states that it is lacking full information about this right in the Data Protection Information. In Section 10 i

The data protection information is the following information inserted in the one concerned above the information on "Right to object to the processing of your personal data or object to our processing": "You can also object to our processing when you considers that there are circumstances which mean that the processing is not carried out in accordance with applicable rules.". Furthermore, the following information can be found in Section 10 i

The data protection information "Right to object to an automated decision. You are right to object to an automated decision made by Klarna if this decision involves legal consequences or constitutes a decision that similarly has a significant impact you. See Section 6 above on how Klarna uses this form of automatic decisions.".

In addition, there is the following information in Section 3 of the Data Protection Information, regarding the purpose of processing personal data to perform customer satisfaction surveys about Klarna's services, "You can object to this at any time preferably. You will also receive information on how to unsubscribe from this each

time you are contacted for this purpose.". The following information can also be found in Section 6, regarding Klarna's profiling and automated decision-making, "Predict which marketing that may be of interest to you. You can always object to this and unsubscribe from marketing and this profiling by contacting us.

For more information about our processing of personal data to provide marketing see Section 3 above;", and "You always have the right to object to a automated decision with legal consequences or decisions that are similarly significant degree affects you (along with the associated profiling) by contact us at the email address in Section 13. An employee at Klarna will come in such cases to look at your case.".

According to Article 21, the data subject has the right to object in several different situations.

It follows from Article 21.1 that the data subject has the right to object at any time against the processing of personal data concerning him or her which is based on Article 6.1 e (public interest) or f (legitimate interest/balance of interests), inclusive profiling based on these provisions. The personal data controller may

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

18(25)

then no longer process the personal data, unless he can prove compelling legitimate reasons for the processing that outweigh the interests of the data subject, rights and freedoms, or if it takes place for the establishment, exercise or defense of legal claims.

IMY states that the Data Protection Information in its entirety lacks information about the right to object to the processing of personal data based on the article 6.1 f of the data protection regulation, including profiling based on this

provision, despite the fact that Klarna carries out several different treatments, which, among other things, are described in Section 3 of the Data Protection Information, states that this is one of the legal grounds that is applied and that profiling takes place. Profiling is developed in more detail in Section 6 i

The data protection information, but even there there is no information about the right to object according to article 21.1. IMY assesses that the violation of Article 13.2 b regarding the requirement for information about the right to object, taking into account also others violations of articles 13 and 14 which appear in this decision, is so serious that it also constitutes a violation of articles 5.1 a and 5.2. IMY further considers that Klarna also does not meet the requirements for clear and unambiguous information as stated in the article 12.1.

IMY therefore considers that the information regarding the right to object in

The data protection information does not comply with the requirement of transparency and thus states that Klarna violates articles 5.1 a, 5.2, 12.1 and 13.2 b of the data protection regulation.

2.2.6 IMY's assessment of Klarna's information according to Article 13.2 f and 14.2 g

According to articles 13.2 f and 14.2 g, information must be provided about the existence of automated decision-making, including profiling according to Article 22(1) and 22(4), whereby it at least in these cases should be provided meaningful information about the logic behind as well the significance and the anticipated consequences of such processing for the data subject.

Applicable regulation

From the Article 29 Working Party's guidance WP260 (pp. 22-23) it appears that information on the existence of automated decision-making, including profiling, according to Article 22.1 and 22.4, as well as meaningful information about the logic behind and the meaning and those foreseen consequences of the processing for the data subject, form part of it mandatory information that must be provided to the data subject according to articles 13.2 f and 14.2 g. The Article 29 Working Group has in the guidelines WP251 on automated individual decision-making and profiling described how openness should be applied precisely in

Question about profiling. In WP251 (p. 10) the following is emphasized:

The profiling process is usually not visible to the data subject. The process goes like this that derived or derivative information is created about individuals. These are "new" personal data that has not been provided directly by the data subjects. Individuals have different degrees of understanding how the process works and may have difficulty understanding the complex techniques which is used in profiling and automated decision-making.

According to Article 12.1, the personal data controller must provide the data subjects concise, clear and clear, comprehensible and easily accessible information about the treatment of their personal data.

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

19(25)

According to Article 22.1, the data subject shall have the right not to be subject to a decision which solely based on automated processing, including profiling which has legal consequences for him or her or similarly significantly affects him or her. Such automated decision-making is only permitted if one of the exceptional conditions specified in Article 22.2 exist. Exceptions are made for that case the decision-making is necessary for entering into or fulfilling an agreement between it registered and the personal data controller or permitted under Union law or a Member State's national law to which the personal data controller is subject and which determines appropriate measures to protect the data subject's rights, freedoms and legitimate interests or is based on the data subject's express consent.

The following is highlighted in WP251 (p. 17):

Given that the central principle behind the data protection regulation is transparency personal data controllers must ensure that they clearly explain to

individual how profiling or automated decision-making works.

Above all, if the processing involves decision-making based on profiling

(regardless of whether the processing is covered by the provisions of Article 22) it must

it is clarified for the data subject that the processing refers to both a) profiling and b)

decision-making based on the profile created.

Recital 60 states that the provision of profiling information is included in it

the personal data controller's transparency obligations according to Article 5.1 a. The data subject

have the right to information from the personal data controller about "profiling", and in some

case the right to object to "profiling", regardless of whether it is only automated

individual decision-making based on profiling.

The registrant's right to information according to articles 13.2 f and 14.2 g is dealt with in

WP251 (p. 26):

Given the potential risks to data subjects' rights and the conclusions

which can be drawn from the profiling covered by Article 22 should

personal data controllers be particularly attentive to their obligation to ensure

transparency in the treatment. According to articles 13.2 f and 14.2 g, personal data controllers must

provide easily accessible information about automated decision making that is founded

solely on automated processing, including profiling, which has legal or on

similarly significant consequences. If the personal data controller understands

automated decisions with the support of Article 22.1, he must

☐ tell the data subject that they apply this method,

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provide meaningful information about the underlying logic and

explain the meaning and the anticipated consequences of the treatment.

The provision of this information also helps data controllers to

ensure that they meet some of the mandatory safeguards listed in

Article 22.3 and Recital 71.

If the automated decision-making and profiling are not covered by the definition

in Article 22.1, it is still good practice to provide the above information. In which

in any case, the data controller must provide sufficient information

to the data subject for the treatment to be considered fair and to fulfill all others

information requirements in articles 13 and 14.

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

20(25)

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The data controller should try to explain in a simple way the logic behind,

or the criteria for arriving at, the decision. In the data protection regulation it is imposed

data controller to provide meaningful information about the logic behind it

the processing, not necessarily a complex explanation of the algorithms used

or to disclose the full algorithm. The information provided should

however, be comprehensive enough for the data subject to understand the reasons for

the decision.

Klarna's Data Protection Information

Section 6 of Klarna's Data Protection Information states the following:

Decisions with legal consequences or decisions that similarly have a significant impact

you

Automated decisions with legal consequences or automated decisions as on

similarly significantly affects you means that certain decisions in our Services

exclusively taken automatically, without the intervention of our employees, and may have

significant effect on you as a customer, comparable to legal consequences. By grasping such decisions automatically increase Klarna's objectivity and transparency in decisions when we offers these Services.

We use this type of automated decision making when we:

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Decides to approve your application to use a Service which includes credit;

Decides not to approve your application to use a Service that includes credit;

☐ Determines whether you pose a fraud or money laundering risk, if ours processing shows that your behavior indicates money laundering or fraud behavior, that your behavior is inconsistent with previous use of our Services, or that you have tried to hide your true identity. IN relevant cases, Klarna also investigates whether specific customers are listed on sanctions lists.

See Section 3 for more information on which categories of personal data are processed for these purposes.

In section 3 of the Data protection information, the following information is provided regarding credit check (purpose, categories of data, basis for personal data processing):

Carry out credit check before credit granted (See Section 4.1 on Klarnas Services that involve credit is provided and Section 7.4 about how we cooperates with credit reporting agencies).

Contact and

identification data,

financial information and

information on how you

interacts with Klarna.

Follow the law, when the credit

in question is regulated by law.

For those cases the credit

is not regulated by law

the treatment is carried out

in order to fulfill

the credit agreement.

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

21(25)

In the response to IMY on 26 April 2019, Klarna has specified which categories of data

which is processed in connection with automated decisions, including profiling for

credit check purposes:

Data collected from the consumer himself or generated by Klarna

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Personal and contact information (such as name, address,

social security number/date of birth and e-mail address) Source: provided by

consumer when purchasing.

Information about how the consumer has interacted with Klarna (eg outstanding debt, if the consumer has chosen to block himself from Klarnas services or been suspended due to abuse). Source: Consumer's previous relationship with Klarna.

Klarna's internal credit score (reported in answer 4 above).

Confirmation from Klarna's internal fraud control (i.e. "yes", "no" or "extra verification required"). Source: Consumer's previous relationship with Klarna, information provided by consumers at the time of purchase, or collected by

Clarify in connection with these.

Data collected from external providers

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Personal and contact information (external verification of the consumer and his address, as well as external information about the owner of the telephone number which left). Source: External supplier

Financial information (external credit information, such as income, payment notes or debt settlement) Source: External supplier.

Confirmation from Klarna's internal fraud control (i.e. "yes", "no" or "extra verification required"). Source: External supplier.

IMY's assessment

IMY states that Klarna's Data Protection Information lacks meaningful information about the logic behind as well as the meaning and anticipated consequences of such treatment for the registered. The Data Protection Information only states that certain types of information is used in connection with the automated decision (Contact and

identifying information, financial information and information about how you interact with Klarna).

It does not appear that Klarna uses its own internal score model which is based on other on both internal and external financial information or what types of data that is included in the financial information, for example information about debts with others lender. No information is given about what the circumstances may be decisive importance for a negative credit decision.

IMY believes that the requirement to provide meaningful information about the rationale behind a automated credit decision includes information on which categories the data belongs to decisive importance within the framework of an internal score model and possible occurrence of conditions that always lead to a rejection decision within the framework of the decision support that it personal data controller uses.

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

22(25)

IMY does not consider that the information about automated credit decisions is provided on a easily accessible way. The individual consumer should be provided this type of difficult to understand information in one context instead of scattered in different places i The data protection information.

IMY considers that the information provided by Klarna about the existence of automated decision-making, including profiling according to Article 22.1 and 22.4 i the data protection regulation, whereby at least in these cases it must be left meaningful information about the logic behind as well as the meaning and the foreseen consequences thereof treatment for the data subject does not meet the requirements in articles 13.2 f and 14.2 g.

The information is not concise, clear and clear, nor is it easily accessible. It fulfills

thus not the requirements in Article 12.1.

IMY assesses that the violation of articles 13.2 f and 14.2 g, taking into account also to other violations of articles 13 and 14 that appear from this decision, is so pass serious that it also involves a violation of articles 5.1 a and 5.2.

IMY therefore states that Klarna violates articles 5.1 a, 5.2, 12.1, 13.2 f and 14.2 g in the data protection regulation.

3 Choice of intervention

3.1 Legal regulation

In the event of violations of the data protection regulation, IMY has a number of corrective measures powers, including reprimands, injunctions and penalty charges. It follows from article 58.2 a–j of the data protection regulation.

IMY shall impose penalty fees in addition to or in lieu of other corrective measures as referred to in Article 58(2), depending on the circumstances of each individual case.

If a personal data controller or a personal data assistant, with respect to a and the same or connected data processing, intentionally or by negligence violates several of the provisions of this regulation, it may the total amount of the administrative penalty fee does not exceed the amount determined for the most serious violation. It appears from Article 83.3 i data protection regulation.

Each supervisory authority must ensure that the imposition of administrative penalty charges in each individual case are effective, proportionate and dissuasive. The stated in Article 83.1 of the Data Protection Regulation.

In Article 83.2, the factors to be taken into account in deciding whether an administrative penalty fee must be imposed, but also what will affect the penalty fee size.

3.2 Penalty fee

Klarna provides payment solutions to approximately 90 million consumers and more 200,000 stores in 17 countries. Klarna provides several different services that are important for the financial system, such as direct payment, various forms of “try first and pay later” services as well as instalments. In order to provide these services must Klarna processes a very large amount of personal data. IMY has assessed above that The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

23(25)

Klarna has not fulfilled the basic principle of transparency and they data subject's rights regarding information. Klarna has violated articles 5.1 a, 5.2, 12.1, 13.1 c, e-f and 13.2 a-b, f and 14.2 g of the data protection regulation. IMY believes not that it is a question of less serious violations. Klarna must therefore be applied administrative penalty fees for said violations.

IMY considers that the disclosure of information that takes place via Klarnas

Data protection information is one and the same data processing and that a common sanction amounts must be determined for these. IMY notes that Klarna has violated several articles covered by article 83.5, which means that a higher penalty amount can be imposed.

Regarding the calculation of the amount, it appears from Article 83.5 of the Data Protection Regulation that companies that commit violations such as those in question may be subject to penalty charges up to twenty million EUR or four percent of the total global annual turnover during the previous budget year, depending on which value is the highest.

When determining the maximum amount of a penalty charge to be imposed on a company shall the definition of the concept of company be used as used by the EU Court of Justice application of Articles 101 and 102 of the TFEU (see recital 150 i

data protection regulation). It appears from the court's practice that this includes every entity that carries out economic activities, regardless of the legal form of the entity and the way of doing so financing as well as even if the unit in the legal sense consists of several physical or legal entities.

IMY assesses that the company's turnover is to be used as a basis for calculating the administrative penalty fees that Klarna can impose are Klarna's parent company Klarna Holding AB. From Klarna Holding AB's annual report for the year 2020 it appears that the annual turnover in 2020 was approximately SEK 10,093,659,000. The highest penalty amount that can be determined in the case is four percent of this amount, that is, approx SEK 404,000,000.

When determining the size of the penalty fee, IMY takes into account that Klarna is one multinational company that processes personal data on a large number of data subjects.

Klarna processes many different categories of personal data where the data in some cases refers to financial conditions and the creditworthiness of the registered person. IMY believes that high demands must be placed on a large company with such extensive and privacy-sensitive personal data processing to provide information that is concise, clear and clear, comprehensible and in an easily accessible form.

In the aggravating direction speaks that there have been violations relating to articles that are central for the registered person to be able to make use of his rights according to the data protection regulation and that the information provided in

The data protection information concerns a very large number of data subjects and that the violation has been going on for a longer period of time.

As a mitigating circumstance, it is taken into account that Klarna has changed during the supervision period and improved the information in the Data Protection Information.

In light of the seriousness of the violations and that the administrative penalty fee must be effective, proportionate and dissuasive, IMY determines the administrative

the sanction fee for Klarna Bank AB to SEK 7,500,000.

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

24(25)

This decision has been taken by the general manager Lena Lindgren Schelin after a presentation

by department director Hans Kärnlöf. In the final processing also has

Chief Justice David Törngren and Head of Unit Catharina Fernquist participated.

Lena Lindgren Schelin, 2022-03-28 (This is an electronic signature)

Appendices

Appendix 1 - Klarna's Data Protection Information

Appendix 2 - Klarna's Terms of Use

The Swedish Privacy Protection Authority

Diary number: DI-2019-4062

Date: 2022-03-28

25(25)

How to appeal

If you want to appeal the decision, you must write to the Swedish Privacy Agency. Enter in

the letter which decision you are appealing and the change you are requesting. The appeal shall

have been received by the Privacy Protection Authority no later than three weeks from the day you received it

part of the decision. If the appeal has been received in time send

The Privacy Protection Authority forwards it to the Administrative Court in Stockholm

examination.

You can e-mail the appeal to the Privacy Protection Authority if it does not contain

any privacy-sensitive personal data or information that may be covered by

secrecy. The authority's contact details appear on the first page of the decision.

You can e-mail the appeal to the Privacy Protection Authority if it does not contain any privacy-sensitive personal data or information that may be covered by secrecy. The authority's contact details appear on the first page of the decision.