1. Purpose

This notice provides guidance on how MTS communicates information to employees so they are aware of how MTS collects, uses, and/or discloses their personal data, to ensure compliance with privacy regulations across Europe. This notice also outlines the rights European data subjects have regarding MTS’ use and processing of their personal data, describes how MTS informs data subjects of these rights, and establishes a process for addressing questions from data subjects.

1. Scope

Compliance with this notice is mandatory for all employees, directors, and officers of MTS and its subsidiaries who process personal data of data subjects within Europe.

1. Definitions

**Data Controller:** A legal entity that determines the purposes and means of the processing of personal data, either alone or jointly with other data controllers.

**Data Processor:** A legal entity that processes personal data on behalf of a data controller.

Data Protection Officer: The DPO is responsible for assisting in the oversight of MTS’ data protection compliance program and for advising MTS in relation to any questions regarding data protection.

1. Procedures

This notice is given to MTS employees within Europe. The Human Resources team, (or other applicable local contact individual), provides this notice to employees during the onboarding process at the time of hire.

1. **Introduction**

This notice describes how MTS collects, uses, and/or discloses the personal data of MTS employees.

1. **Collection of Employee Data**

The types of Employee Data that MTS may collect and process include:

* Personal and family information, including name and contact information (home address, email and telephone number), date of birth, birth place, nationality, gender, marital or civil status, family status, (if applicable), national identification number, health insurance identification number, religion (required only in Germany by national regulation),  bank information (for deposit of payroll), visa status (if applicable), and;
* Employment related information, including company, hire date, job title, status, user ID and username, position ID, date in position, employee number or ID, region, country, work contact information, division, department, location, employee type, work schedule, cost center, supervisor’s name and employee number, wage and salary information, employee CVs/resumes and related information, employment agreement, training related information, employment history, education history and professional certifications, completion of training programs and reports, log information, performance and talent management information, language skills, and reason for termination (if applicable).
1. **Use of Employee Data**

MTS will process Employee Data for the following purposes:

* Manage and follow-up on workflows;
* Carry out compensation related activities, including stock plan administration and compensation analysis and administration;
* Manage payroll;
* Manage and follow-up on performance;
* Conduct succession planning;
* Manage personnel administration;
* Provide security, recovery and IT helpdesk support services;
* Account for and execute business activities; and
* Monitor and enforce adherence with company policies, procedures and standards.

MTS’ processing of Employee Data is performed in connection with employees’ employment contracts and MTS’ legitimate interest to conduct business activities.

1. **Data Recipients**

Limited members of the human resources, finance, legal, export compliance, and IT departments and senior company managers in the United States may process Employee Data in connection with their job responsibilities and only for the purposes described in Section 3 above.

MTS takes appropriate steps to ensure that:

* such personnel are bound to duties of confidentiality with respect to Employee Data; and
* only those having a strict need to access such Employee Data are granted access.
1. **Transfers Out of the European Union (“EU”)**

Employee data may be accessed from non-EU countries, and in particular from the United States, for the purposes defined in Section 3 above. In addition, MTS may rely on third party service providers for hosting, maintenance, and support purposes, which may involve data transfers out of the EU.

MTS is committed to providing protection for data transferred to and/or made accessible from non-EU countries, and MTS therefore enters into a European Model Contract as adopted by the Commission Decision 2010/87/EU (“EMC”) for transfers of personal data to non-EU countries. MTS enters into EMCs with MTS entities located outside the EU as well as with third parties located outside the EU, unless other guarantees recognized as valid either by the EU’s General Data Protection Regulation (“GDPR”) or the European Commission are in place.

1. **Data Retention**

MTS maintains Employee Data for the duration of each employment contract, or where applicable, according to pension requirements, plus the number of years after termination specified in the applicable records retention schedules (or any longer period where required by law) after the termination of the employment contract.

1. **Data Security and Data Integrity**

MTS is committed to collecting and processing your Personal Data with appropriate care and diligence in compliance with applicable law such as security measures to safeguard data from loss, misuse, unauthorized access, disclosure, alteration, or destruction. MTS also maintains reasonable procedures to help ensure that such data is accurate, complete, current, and reliable for its intended use.

1. **Access**

Employees may access, review and update their own Employee Data in accordance with applicable law. Employees should transmit requests for access to their Employee Data in writing (an email message using a work email address is acceptable) to their local Human Resources department, (or other applicable local contact individual) and/or to the contact identified in Section 12 below. If an employee is aware of changes or inaccuracies in his or her Employee Data of which MTS is not aware, the employee is responsible for informing the local Human Resources department or office manager and/or the contact below so that the Employee Data may be updated or corrected.

In addition, employees are entitled to request that their personal data be deleted. They are also entitled to object to the processing of their personal data or to request restriction thereof. Further, employees have the right to request receipt of their personal data in a structured and standard format. In case of any such request regarding Employee Data, employees should contact their local Human Resources department or the contact below in writing. Employees also have the right to lodge a complaint with a competent data protection authority.

1. **Disclosures Required or Permitted By Law**

Regardless of any other provisions within the applicable EMC, MTS may disclose or otherwise process Employee Data in the context of any sale or transaction involving all or a portion of its business, or as may be required or permitted by law or the EMC.

1. **Individual Rights**

In compliance with Chapter 3 of the European Union’s General Data Protection Regulation (“GDPR”), where MTS acts as a Data Controller, data subjects retain the following rights:

(i) The right to access personal data relating to them and processed by MTS;

(ii) The right to request the rectification or deletion of any inaccurate or incomplete personal data relating to them, or which is no longer processed for a valid or appropriate purpose;

(iii) The right to object to the processing of their personal data at any time, unless such processing is required by applicable law, provided that the data subject demonstrates that they have a legitimate ground to object as it pertains to their particular situation;

(iv) The right to request restriction of the processing when the personal data is no longer accurate or necessary, the processing is unlawful, or the data subject has objected to the processing while the data controller verifies the legal basis for the processing; and

(v) The right to receive their personal data in a structured, commonly used and machine-readable format, when the personal data has been collected with the data subject’s consent or as part of a contract.

(vi) The right to file a complaint with a data protection authority in your country of residence about how your Personal Data has been processed

See Section11for Request or Inquiry process.

MTS provides data subjects with information regarding these rights where it acts as a data controller or a data processor. The information is included in the Employment Agreement and handed out during new employee onboarding.

1. **Request or Inquiry Process**

Data subjects may file an inquiry or request concerning the processing of personal data. The request may be lodged with the Office of Risk and Compliance by using the contact details made available in the notices MTS provides to employees, customers, and website users, which are described and indexed in MTS’ Privacy and Data Protection Policy - Europe. The Office of Risk and Compliance will handle the inquiry or request with the assistance of the relevant teams, without undue delay and no longer than one month after receiving the inquiry or request. To determine whether they can be granted, requests regarding these issues will be evaluated against applicable legal requirements.

1. Contact Information

MTS employees may raise questions or issues regarding Personal Data with the Office of Risk and Compliance, contact information shown below. If an employee cannot resolve his or her issue with the Office of Risk and Compliance, requests can be sent to the Data Protection Officer (DPO), contact information shown below.

privacy@mts.com

* or -

MTS Systems Corporation

Office of Risk and Compliance
14000 Technology Drive
Eden Prairie, MN 55344

DPO@mts.com

* or -

MTS Systems Corporation

Data Protection Officer

Office of Risk and Compliance

14000 Technology Drive
Eden Prairie, MN 55344

1. Notice Owner

Office of Risk and Compliance

1. Related Policies

ORC-0023 Privacy and Data Protection Policy - Europe

OGC-007 MTS Data Retention Policy

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| **REVISION HISTORY** |
| **Rev** | **Description of Change** | **Effective Date** |
| 0 | New | 5/23/2018 |
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