

OTP Group Anti-Corruption Policy

Introduction

The OTP Banking Group (hereinafter referred to as the “Group”) is committed to combatting corruption, and declared zero tolerance towards all forms of bribery and the gaining of unfair advantages.

The provisions of this policy (the “Policy”) have been developed in accordance with the applicable national and international anti-corruption legislation and the Wolfsberg Group's Anti-Corruption Handbook.¹

The purpose of the Policy is to define the principles of the Group's anti-corruption activity, to identify the areas particularly exposed to the risk of corruption, and to serve as a core document for the formulation of the regulatory documents required for the Group's anti-corruption efforts and for the anti-corruption activity of the relevant staff members.

The principles and provisions of the Policy cover the Group Members' entire organisation, spanning the full spectrum of their operation from the formulation of internal regulatory documents through the contracts to be concluded with partners to the actions of individual staff members, and are applicable to all of the Group Members' activities.

The scope of the Policy covers all employees and contracted partners of the Group Members as well as all other persons participating in the performance of their activities in any way.

The provisions set out in the Policy are to be applied in conjunction with the provisions of the Group-level Code of Ethics and the Partner Code of Ethics.

Principles

The prohibition of corruption

In the course of and in connection with the Group's activities, all staff members and all other contractual partners of the Group Members are strictly prohibited from performing any act of corruption and from participating or being involved in corruption. Violations of the prohibition on corruption can have consequences under labour, civil and criminal law. The Group takes a consistent and firm stance against corruption. In case of a violation of the provisions set out in the Policy by any person, the Group shall take all steps necessary to avert potential negative consequences and to avoid similar events in the future. The Group ensures that national, European Union and international legislation on the prevention of corruption is fully enforced and expects its employees and contractual partners to comply with it.

Activities mostly at risk of corruption:

- managing gifts and entertainment expenses;
- charity and sponsorship;
- liaising with contractual partners;
- assuming contractual obligations;
- purchase, management and maintenance of investments and assets;
- recruitment of new staff;
- purchase, management and sale of real estate.

The above list is not exhaustive, and the Group will pay further attention to any activities that do not appear on the list and which pose a risk of corruption.

¹ “The Wolfsberg Group – Wolfsberg Anti-Bribery and Corruption (ABC) Compliance Programme Guidance (2017)”

Expected behaviour

The Group applies the following general procedural and operational principles to ensure zero tolerance of corruption:

- in order to avoid the concentration of decision-making powers in one person's hands, the Group Member strictly defines staff members' roles and responsibilities by adequately and officially specifying the responsibilities and clearly designating decision-making levels;
- the Group Member formulates officially devised procedures for the performance of specific activities by individual staff members, and requires the application thereof;
- in accordance with and to the extent permitted by legal provisions, the Group Member monitors the activity and transactions of individual staff members;
- in all cases where required by relevant policies, the Group Member expects all staff members to make their decisions on the basis of pre-defined criteria.

Regulation

The Group works out detailed rules and procedures for the efficient enforcement of the provisions set out in this Policy. All Group Members are required to adopt the anti-corruption rules and contractual provisions, and to implement and consistently adhere to the relevant procedures.

Risk-based approach

The Group Member's potentially affected organisational units and activities represent different corruption risks. The Group Member performs a risk-based assessment at predefined intervals to determine which organisational units and activities are in the current focus of the anti-corruption activity.

Management control

The Group Member's management bodies monitor the enforcement of the provisions of the Policy by receiving, on an annual basis, detailed information about the enforcement of the requirements set out in the Policy.

Publicity and accessibility

The Policy is publicly available at all times on the website of OTP Bank Plc. and for OTP Bank Plc. employees on the Intranet in the Repository of Regulatory and Contractual Documents.

Bookkeeping and records

Group Members shall keep their books and records in accordance with the laws in force at all times and with due care. The Group member shall ensure that its accounting records are based on true and reliable data at all times.

Contracted Partners

Given the potential for corruption in the relationship with contractual partners, both established and existing, Group members act with caution and minimise the risk of corruption when working with contractors, in particular in the tendering and preparation process. The Group member shall establish relations with its contractual partners on the basis of professionalism, competence and competitiveness, and shall not apply any other non-professional selection criteria that could be corrupt. The Group Member shall exercise particular care in the case of contractual partners who may act for or on behalf of the Group Member, given the reputational and liability risk that this entails for the Group.

Application of an anti-corruption clause

In order to minimise the risk of corruption, group members shall endeavour to use an anti-corruption clause in the relevant agreements with contractors and in their governing documents, which shall include the following provisions, in line with the group-wide expectation:

1. **Relevant concepts** (banking group, public officials) and **Anti-Corruption Legislation**
2. **A clear and informed commitment** from the contractual partner (awareness of and compliance with OTP's Anti-Corruption Policy and relevant legislation, and efforts to enforce it with its business partners)
3. **Commitments**
 - **Information commitments**
 - a duty to notify if it becomes aware of a breach of the corruption rule(s)
 - provide information on the use of payments within 5 days of a request from a Group Member
 - **Negative undertakings**
 - it will not use the amount paid to it, or any other remuneration, for purposes that are contrary to Anti-Corruption Legislation
 - it will not make, or cause others to make, any direct or indirect offer or payment of any remuneration, money or other payment to any person exercising a public function for the purpose of influencing or causing to be influenced a decision of a body exercising a public function
4. **Termination Events – termination with immediate effect** (breach of anti-corruption commitments or making a false, untrue or misleading statement in this connection)

Acquisition policy

In view of the Group's active acquisition policy, the Group pays particular attention to the identification and exclusion of corruption risks during due diligence when assessing the institutions to be acquired.

Civil servants

The Group Member expects its staff and contractual partners to take particular care and act in accordance with the Policy in interacting with public officials for any reason.

Gifts and donations

Corruption does not necessarily mean just giving money, or providing an undue advantage. Gifts and other donations also carry a serious risk of corruption. Given that gift giving is often an inevitable part of doing business, it is not feasible to exclude it completely from the Group's operations. The rules on gifts need to be clearly defined in a way that excludes corruption.

The Group considers it unacceptable for anyone to try to influence the conduct of business or the independence of decision-making in their favour by gifts or entertainment and therefore the Group member strictly prohibits the giving or accepting of gifts or entertainment for such purposes.

The Group member extends these prohibitions to persons related to employees and contractual partners in order to ensure that the persons concerned cannot be influenced through their relatives, friends or other persons closely associated with them.

Charity and sponsorship

The Group provides charitable donations and sponsorships to beneficiaries only in a transparent and traceable manner through its corporate social responsibility activities, thus ensuring that opportunities for corruption are excluded. The Group does not use charitable donations and sponsorships to obtain preferential treatment and considers such conduct unacceptable.

Selection procedure

The Group member decides on the recruitment of new staff and the selection of new contractual partners through a selection procedure based on pre-defined rules. These standards also help to prevent corruption. The selection procedure will take into account only the personal suitability, competence, professional or other relevant experience of the candidate applying for the post.

Management and sale of investments, acquisitions and assets

The Group prohibits any non-transparent conduct aimed at obtaining or granting preferential treatment as part of investments or other acquisitions, management or sale of assets.

Purchase, management and sale of real estate

The Group applies transparent real estate management practices that exclude the possibility of preferential treatment. Thus, the Group expressly rejects any practices that involve the promise, donation or acquisition of real estate on terms that are more favourable than market terms, or that seek to favour the interests of the Group in connection with the acquisition of real estate.

Training

Since standing up against corruption is also a priority concern in business relations, the Group Member exercises particular care to ensure that all of its staff and contractual partners are fully aware of the provisions of the Policy. To that end, the Group Member provides free access to the Policy at all times, and expects all of its staff and contractual partners to familiarise themselves with the provisions thereof.

Controls

The organisational unit/person performing the compliance function at the relevant Group Member monitors the enforcement of the Policy during the Group Member's activities, as well as its compliance with the applicable legal regulations and any other requirements and best business practices. If the organisational unit/person performing the compliance function detects or becomes aware of any anomaly or irregularity, it shall initiate the review – and amendment, as appropriate – of the provision, and notifies the management bodies of the deficiency or irregularity detected.

Reporting

The Group Member's staff may report violations of the provisions set out in the Policy through the channels defined in the Code of Ethics and the Partner Code of Ethics. The investigation of whistleblowing shall be carried out in accordance with the Group member's internal rules on reporting ethics offences, on which the Group member shall publish information on its website. Whistleblowers must not be discriminated against or treated unfairly in connection with their notification. Anonymous reporting is also possible.