

Resolutions made at OTP Bank's AGM

OTP Bank Plc. announces that at its Annual General Meeting of 17 April 2015 the following resolutions were made:

1/2015

The Annual General Meeting accepts the Board of Directors' report on the Company's financial activity for the year ended 2014, furthermore with full knowledge of the Independent Auditor's Report, the Audit Committee's Report and the Supervisory Board's report, accepts the proposal of the parent company's annual financial statements in accordance with Act on Accounting and the Bank's consolidated financial statements in accordance with the International Financial Reporting Standards, and the proposal for the allocation of the profit after taxation.

The Annual General Meeting determined the balance sheet for the year ended 2014 with total assets of HUF 7,319,679 million and with profit after taxation of HUF -41,718 million. The profit after taxation for the period shall be allocated as follows: HUF -41,718 million shall be utilized from general reserves, HUF 40,600 million shall be paid as dividend from profit reserves, thus the net profit for the year is HUF 0 million.

The dividend per share is HUF 145, compared to the face value of shares it's 145%. The actual rate of dividend paid to shareholders is calculated and paid based on the Articles of Association, so the Company for its own shares distributes the dividends among the shareholders who are entitled for dividends. The dividend shall be paid from 15 June 2015. in accordance with the policy determined in the Articles of Association.

The General Meeting determines the Company's consolidated balance sheet with total assets of HUF 10,971,052 million, and with HUF -102,258 million as net profit. The profit for shareholders is HUF -101,985 million.

2/2015

The Annual General Meeting accepts OTP Bank Plc.'s 2014 Report on Corporate Governance.

3/2015

The Annual General Meeting, based on its assessment of the work of the executive management in the 2014 business year, certifies that the executive management gave priority to the interests of the Company when performing its work during the business year.

4/2015

Concerning the audit of OTP Bank Plc.'s 2015 separated annual accounts prepared in accordance with Hungarian Accounting Standards and consolidated 2015 annual financial statements the AGM is electing Deloitte Auditing and Consulting Ltd. (000083, H-1068 Budapest, Dózsa György út 84/c) as the Bank's auditor from 1 May 2015 until 30 April 2016.

The Annual General Meeting approves the nomination of dr. Attila Hruby (No. 007118 chartered auditor) as the person responsible for auditing. In case any circumstance should arise which ultimately precludes the activities of dr. Attila Hruby as appointed auditor in this capacity, the Annual General Meeting proposes the appointment of Zoltán Nagy (No. 005027 chartered auditor) to be the individual in charge of auditing.

The Annual General Meeting establishes the total amount of HUF 63,760,000 + VAT as the Auditor's remuneration for the audit of the 2015 annual accounts, prepared in accordance with Hungarian Accounting Standards as applicable to credit institutions, and for the audit of the consolidated annual accounts prepared pursuant Act on Accounting. Out of total remuneration HUF 50,700,000 + VAT shall be paid in consideration of the audit of the separated annual accounts and HUF 13,060,000 + VAT shall be the fee payable for the audit of the consolidated annual accounts.

5/1/2015

The Annual General Meeting has decided, by way of a single resolution, to amend the Company's Bylaws in accordance with the contents set forth in the Board of Directors' Proposal.

5/2/2015

The Annual General Meeting approves the amendment of sections 8.3; 8.8; 8.13; 8.17; 8.18; 8.30; 8.33; 11.5 and 14.1, and Article 15 of the Company's Bylaws in accordance with the proposal of the Board of Directors, as per the annex to the minutes of the General Meeting.

6/2015

The Annual General Meeting approves the Remuneration Guidelines of OTP Bank Plc in accordance with the annex to the minutes of the General Meeting.

7/2015

The Annual General Meeting does not modify the remuneration of the members of the Board of Directors and the Supervisory Board set forth in resolution No 8/2013 of the General Meeting. Members of the Audit Committee do not receive any remuneration.

8/2015

The Annual General Meeting hereby authorizes the Board of Directors to acquire own shares for the purpose of supplying the shares necessary for the management incentives system that is in operation at OTP Bank Nyrt, creating the opportunity for rapid intervention in the event of share price fluctuations, developing and maintaining the services provided to customers, and executing transactions related to optimisation of the Company's capital.

The Board of Directors is authorised to acquire a maximum of as many ordinary shares with a nominal value of HUF 100 that is one hundred forints, as ensures that the portfolio of own shares, in respect of the measure stipulated in the frame-permissions of the Magyar Nemzeti Bank, does not exceed 70,000,000 shares at any moment in time.

Should the acquisition of shares take place in a reciprocal transaction, then the consideration applied in such transaction may be a minimum of the share's nominal value, and a maximum of 150% of the highest price recorded on the Budapest Stock Exchange on the day preceding conclusion of the transaction, or, in the case of a stock-exchange transaction, 120% of the closing price recorded on the Budapest Stock Exchange on the day preceding conclusion of the transaction. The Board of Directors may exercise its rights set forth in this mandate until 17 October 2016. The mandate set forth in Annual General Meeting resolution 10/2014 shall lose its effect upon the passing of this resolution.

OTP Bank Plc.

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2/2015

Corporate Governance Report

Introduction

OTP Bank Plc. (hereinafter: OTP Bank, Bank or Company) treats the development and maintenance of an **advanced corporate governance system**, conforming to Hungarian and international standards, as a key priority. A reliable governance system, accurate financial planning, responsible management and the appropriate control mechanisms are what form the basis for efficient and profitable operation.

To this end, the Bank is continuously reviewing and developing its corporate governance practices.

Our corporate governance practice is an important means of ensuring the **fulfilment of our strategic objectives**. Accordingly, within the effective statutory frameworks, we have developed a corporate governance system that simultaneously ensures the confidence and satisfaction of our customers, growth in shareholder value, and our socially responsible corporate conduct. There is no perfect, universally applicable corporate governance solution through which every goal can be achieved as efficiently as possible. For this reason we continuously monitor our governance practices, identifying any deficiencies arising as the result of external and internal changes, and effect those modifications that best serve the fulfilment of our objectives.

The resulting governance structure, optimised to suit our objectives, takes into account the special characteristics of our operations as well as the statutory, supervisory and stock-market requirements that apply to the Bank, while also endeavouring to comply with the related Budapest Stock Exchange (hereinafter: BSE) guidelines. The purpose of the BSE's corporate governance guidelines is for the governance and operating structures of stock exchange-listed companies to be **transparent and comparable** based on a uniform set of criteria. This enables investors, taking into consideration the special characteristics of a given company's operations, the complexity of its activities, and the statutory requirements related to its risk management and financial reporting, to make a well-founded judgement regarding the extent to which the given corporate governance practice ensures reliable and profitable operation.

Like all organisations that provide financial and investment services, the operations of the Bank are, to a high degree, regulated in statutory provisions. As a consequence, not only certain business activities, but our operations as a whole are regulated in detail and monitored by the authorities on a continuous basis. The individual internal control functions (risk management, compliance, and internal audit) have to conform to strict standards, and their effectiveness must be attested not only within the internal corporate governance system, but also to the satisfaction of the external supervisory authorities. All these factors guarantee purposeful, comprehensive and verified risk management procedures, as well as reliable and appropriately supervised data reporting. Therefore, our status as a financial and investment service provider requires us to implement complex and effective corporate governance practices that simultaneously ensure **responsible conduct towards clients and shareholders, reliable operation, and long-term profitability**.

1.) Statement on Corporate Governance Practice

The Bank's operation fully complies with the provisions of the relevant statutory regulations, the decrees of the supervisory authorities and the regulations of the BSE. The structure and operating conditions of the Company are contained in the Bylaws, which are approved by the General Meeting.

1.1. Management bodies

Board of Directors

The Company's executive body is the Board of Directors. In its objectives and activities, particular emphasis is placed on increasing shareholder value, profitability and efficiency, and on managing risks and complying fully with external requirements – in other words on ensuring the most effective enforcement of business, ethical and internal control policies.

The scope of its authority is defined in the effective statutory provisions, the Company's Bylaws, General Meeting resolutions, and the procedural rules of the Board of Directors. The procedural rules set out the structure of the Board of Directors, the tasks relating to the preparation, implementation and drafting of resolutions of its meetings, as well as all other issues relating to the operation of the Board of Directors.

The members of the Board of Directors are elected by the General Meeting for a term of five years. All the obligations and prohibitions specified for executive officers under Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises (Credit Institutions Act) apply to the members of the Board of Directors.

The Board of Directors has an executive role in the governance of the Bank, so it is appropriate and conducive to successful operation if the board members have a personal stake in ensuring the Company's profitable operation. However, the remuneration of the members of the Board of Directors is not tied to whether or not the Company was profitable. Moreover, since the Board of Directors also has an important role in overseeing the work of the management, it is consequential that **the Board of Directors, by principle, has a majority of non-executive members**. The makeup of the Board of Directors ensures that professional expertise, experience, and a degree of impartiality that goes beyond the above-mentioned independence requirement, are brought to bear in equal measure in the decision-making processes.

The employer's rights towards the executive officers of the Company are exercised by the Board of Directors through the Chairman & CEO, with the proviso that the Board of Directors must be notified in advance for the appointment or withdrawal of appointment of deputy CEOs. The Chairman & CEO is empowered to decide in all matters that do not, pursuant to the Bylaws, fall within the scope of authority of the General Meeting or the Board of Directors.

Members of the Board of Directors of OTP Bank Plc.:

Executive members:

Dr. Sándor Csányi **Chairman & CEO**

Dr. Sándor Csányi graduated from the College of Finance and Accountancy in 1974 with a bachelor's degree in business administration and in 1980 from the Budapest University of Economic Sciences with a degree in economics. He is an economist with a specialisation in finance, and is also a qualified pricing specialist and certified auditor. After graduation he worked at the Revenue Directorate and then at the Secretariat of the Ministry of Finance, after which, between 1983 and 1986, he was a departmental head at the Ministry of Agriculture and Food Industry. From 1986 to 1989 he worked as a head of department at Magyar Hitel Bank. He was deputy CEO of K&H Bank from 1989 to 1992. He has been Chairman & CEO of OTP Bank Plc. since 1992. He is a member of the European Advisory Board of MasterCard, one of the world's leading payment card companies, and is Vice Chairman of the Board of Directors of MOL Plc., Co-Chairman of the National Association of Entrepreneurs and Employers (VOSZ), and Co-Chairman of the Chinese-Hungarian Business Council. He has been Chairman of the Hungarian Football Association (MLSZ) since July 2010.

As of 31 December 2014 he held 108,866 ordinary OTP shares (while the total number of OTP shares held by him directly and indirectly was 608,866).

Dr. Antal Pongrácz **Deputy Chairman, Deputy CEO** **Staff Division**

Dr. Antal Pongrácz graduated from the Budapest University of Economic Sciences and earned a PhD in 1971. From 1969 he worked as an analyst at the Petrochemical Investment Company, then as a group manager at the Revenue Directorate until 1975. From 1976 he held various executive positions at the Ministry of Finance. After that, he was the first Deputy Chairman of the State Office for Youth and Sports. Between 1988 and 1990 he was the first Deputy CEO of OTP Bank. Between 1991 and 1994 he was CEO, and then Chairman & CEO, of the European Commercial Bank Rt. Between 1994 and 1998 he was Chairman & CEO of Szerencsejáték Rt, then in 1998-99 he served as CEO of Hungarian flagship carrier, Malév. Since 2001 he has been executive director of OTP Bank's Staff Division and more recently, Deputy CEO. He has been a member of OTP Bank's Board of Directors since 2002, and its Chairman since 9 June 2009. Since 12 April 2012 he has been Chairman of the Supervisory Board of OTP banka Hrvatska d.d.

As of 31 December 2014 he held 25,427 ordinary OTP shares.

Dr. István Gresa **Deputy CEO** **Credit Approval and Risk Management Division**

Dr. István Gresa graduated from the College of Finance and Accountancy in 1974 and received a degree in economics from the Budapest University of Economic Sciences in 1980. He earned a PhD from the same establishment in 1983. He has worked in the banking sector since 1989. Between 1989 and 1993 he was branch manager of Budapest Bank's Zalaegerszeg branch. From 1993 he was director of OTP Bank's Zala County Directorate, and from 1998 he served as the executive director of the bank's West Transdanubian Region. Since 1 March 2006 he has been Deputy CEO of OTP Bank, as well as the head of

the Credit Approval and Risk Management Division and Chairman of the Board of Directors at OTP Factoring Ltd. He has been a member of OTP Bank's Board of Directors since 27 April 2012.

As of 31 December 2014 he held 45,752 ordinary OTP shares.

Non-executive members:

Mihály Baumstark

Agricultural engineer, economist

Mr. Mihály Baumstark holds degrees in agricultural engineering and agricultural economics. He was employed by the Ministry of Agriculture and Food Industry between 1978 and 1989. When he left the Ministry he was deputy head of the Investment Policy Department. After this he was managing director of Hubertus Rt., and from 1999 to 2012 he was deputy CEO and then Chairman & CEO of Villányi Winery Ltd. (now Csányi Winery Ltd.). He is currently retired. He was a member of OTP Bank's Supervisory Board from 1992 to 1999, and has been a non-executive member of OTP Bank's Board of Directors since 1999. He has been a member of OTP Bank's Remuneration Committee since 2011, and of its Nomination Committee since 2014.

As of 31 December 2014 he held 25,600 ordinary OTP shares.

Dr. Tibor Bíró

**College Associate Professor
Budapest Business School**

Dr. Tibor Bíró graduated from the Budapest University of Economic Sciences with a degree in business administration. He is a certified auditor and chartered accountant. He was head of the Finance Department of Tatabánya City Council's Executive Committee between 1978 and 1982, then from 1982 a professor at the College of Finance and Accounting, and between 1990 and 2013 head of department at the Budapest Business School.

From 2000 onwards, for a period of ten years, he was a member of the Presidium of the Budapest branch of the Chamber of Hungarian Auditors, and currently works as a member of the Chamber's Education Committee. He has been a non-executive member of OTP Bank's Board of Directors since 1992. He has been a member of OTP Bank's Remuneration Committee since 2009, and of its Nomination Committee since 2014.

As of 31 December 2014 he held 38,956 ordinary OTP shares.

Péter Braun

**Electrical Engineer
Former Deputy CEO, OTP Bank Plc.**

Péter Braun earned a degree in electrical engineering from the Technical University of Budapest. Between 1954 and 1989 he worked for the Research Institute for Electrical Energy, with his last position there being head of department. After that, he was the managing director of K&H Bank Rt., working in its Computer and Information Centre. He was Deputy CEO of OTP Bank from 1993 until his retirement in 2001. Since the second half of 2009 he has been the chairman of the Chief Information Officers' Association (VISZ). He has been a member of OTP Bank's Board of Directors since 1997.

As of 31 December 2014 he held 298,505 ordinary OTP shares.

Tamás Erdei

Tamás Erdei graduated in 1978 with a degree from the College of Finance and Accounting. He began his professional career at OTP, in a variety of administrative roles (his last position was branch manager), before going on to work at the Ministry of Finance in the area of bank supervision.

Since 1983 he has been employed by the Hungarian Foreign Trade Bank (today MKB), where he gradually worked his way up through the ranks. In 1985 he became managing director, in 1990 he was appointed deputy CEO, then in 1994 he was made CEO, and from 1997 until the end of March 2012 he was chairman and CEO.

Between 1997 and 2008 he was the elected president of the Hungarian Banking Association. He is the chairman of the Supervisory Board of the International Children's Safety Service.

He has been a member of OTP Bank's Board of Directors since 27 April 2012. He has been a member of OTP Bank's Risk Assumption and Risk Management Committee, and of its Nomination Committee, since 2014.

As of 31 December 2014 he held 16,039 ordinary OTP shares.

Zsolt Hernádi

Chairman & CEO

MOL Plc.

Zsolt Hernádi graduated in 1986 from the department of industrial planning at the Karl Marx University of Economic Science. Between 1989 and 1994 he held a number of positions at Kereskedelmi és Hitelbank Rt., where from 1992 to 1994 he was deputy CEO of the financial institution. Between 1994 and 2001 he was CEO and a member of the Board of Directors at Magyar Takarékszövetkezeti Bank Rt. He has been a member of MOL's Board of Directors since 1994, and its Chairman since 2000, while since 11 June 2001 he has been the company's Chairman and CEO. He is also a member of the Corporate Governance and Remuneration Committee of MOL's Board of Directors. He has been a member of OTP Bank's Board of Directors since 29 April 2011. His membership has been suspended since 3 April 2014.

As of 31 December 2014 he held 25,600 ordinary OTP shares.

Dr. István Kocsis

Managing Director

Merkantil Bank Zrt.

Dr. István Kocsis obtained his degree in mechanical engineering from the Mechanical Engineering Faculty of the Technical University of Budapest in 1976, and earned his PhD in 1985. Career highlights: 2002-2005 Paks Nuclear Power Plant, CEO; 2005-2008 Hungarian Power Companies Ltd. (MVM Zrt.), CEO; 2008-2011, CEO of Budapest Transport Corporation (BKV Zrt.); since 2011 Managing Director of Merkantil Bank Zrt. Offices held: Chairman of the Ányos Jedlik Society; chairman of the Scientific Society For Measurement, Automation and Informatics; member of the Social Senate of the University of Pecs; member of the national Presidium of the Hungarian Chamber of Commerce and Industry; chairman of the endowment advisory board of the Duna-Mecsek Regional Development Foundation.

Non-executive member of OTP Bank's Board of Directors since 1997. Membership suspended since 3 October 2012.

As of 31 December 2014 he held 3,635 ordinary OTP shares.

Dr. László Utassy
Chairman & CEO
Merkantil Bank Zrt.

Dr. László Utassy graduated from the Faculty of Law of ELTE University in Budapest in 1978.

He held various positions at the State Insurance Company between 1978 and 1995 and then went on to work at ÁB-Aegon Rt. He was Chairman & CEO of OTP Garancia Insurance from 1996 to 2008. He was managing director of OTP Bank between 2009 and 2010. Since 1 January 2011 he has been Chairman & CEO of Merkantil Bank Ltd. He has been a member of OTP Bank's Board of Directors since 2001.

As of 31 December 2014 he held 300,915 ordinary OTP shares.

Dr. József Vörös
Professor, Head of Institute
University of Pécs

Dr. József Vörös earned a degree in economics from the Budapest University of Economic Science in 1974. In 1984 he earned a PhD in economics from the Hungarian Academy of Sciences, and a Doctor of Science degree in 1993. He has been a member of the Hungarian Academy of Sciences since 2013. Between 1990 and 1993 he was the dean of the Faculty of Business and Economics, Janus Pannonius University (JPTE) in Pécs. In 1993 he attended a course in management for senior executives at Harvard University. From 1994 he was a professor at JPTE, and was the senior Vice Rector of the University from 2004-2007, between 2007 and 2011 he was chairman of the Board of Trustees. He has been a non-executive member of OTP Bank's Board of Directors since 1992. He has been Chairman of OTP Bank's Remuneration Committee since 2009, and of its Risk Assumption and Risk Management Committee since 2014.

As of 31 December 2014 he held 140,914 ordinary OTP shares.

Meetings of the **Board of Directors** are convened by the Chairman & CEO by means of a written invitation, in accordance with the prevailing work schedule.

The Chairman & CEO must convene a meeting of the Board of Directors if

- a resolution has been passed by the Board of Directors to hold an extraordinary meeting of the Board;
- At least three Board members requests a meeting in writing by designating the reason and the purpose, and the items of the agenda, and by submitting a written proposal in respect of the decision to be made;
- The Supervisory Board or the auditor initiates such a meeting in writing;
- The National Bank of Hungary (hereinafter: MNB or Supervisory Authority) requires it;
- Under the law, a decision must be made about whether to convene an extraordinary General Meeting.

The Board of Directors passes resolutions in accordance with the rules of procedure, by simple majority; minutes must be taken of its meetings, and its resolutions must be documented.

The table below provides a brief overview of the number of Board of Directors meetings held in 2014, and of the attendance at these meetings:

**Board of Directors meetings
2014**

Date	Present	Absent
24 Feb.*	10	-
10 Mar.	10	-
24 Mar.	9	1
21 May**	9	-
10 Jun.	9	-
18 Sept.	6	3
11 Dec.	8	1

Note:

In 2014 the Board of Directors met on a total of 7 occasions. In addition, resolutions were passed on 126 occasions by written vote.

***With effect from 3 October 2012 the board membership of Dr. István Kocsis was suspended, and thus the Board of Directors continued its work with 10 full members until 3 April 2014.*

***With effect from 3 April 2014 the board membership of Zsolt Hernádi was suspended, and thus the Board of Directors continued its work with 9 full members.*

The items on the agenda of the Board of Directors included, among other things, the tasks stipulated by law, such as making a decision on convening, and specifying the agenda of, the General Meeting, the acceptance of the documents submitted to the annual ordinary General Meeting, preparing a proposal concerning the annual report prepared in accordance with the Accounting Act and the use of the after-tax profit, preparation of the report on the management, on the Company's asset/liability position and on its business policy, measures taken to ensure the appropriate management of the Bank's trading books.

Additional, strategic tasks are, for example, the approval and annual review of the Bank's strategy, determination of its business plan, a review of the Bank's asset/liability position based on the quick reports, review of the Bank's liquidity situation, evaluation of changes in the qualified receivables portfolio, approval and review of the regulations that fall within the Board of Director's scope of authority (collateral evaluation, risk assumption, customer rating, etc.), regular review of compliance with the Credit Institutions Act and Act CXX of 2001 on the Capital Market (hereinafter: Capital Market Act), compliance, and customer complaints management. Furthermore, the Board of Directors is informed of any undertaking of obligations in excess of HUF 3 billion.

In addition, as part of its operative duties, the Board of Directors may make case-by-case decisions in respect of transactions that exceed the threshold value limit.

Supervisory Board

At the Bank, in line with the two-tier governance structure, the Supervisory Board performs the oversight of the Company's management and business activity. For this reason – and in accordance with the legal provisions – the principle of a majority of independent (non-executive) members is fully enforced in respect of the composition of the Supervisory Board.

Supervisory Board members are elected by the General Meeting for a term of three years. The ratio of independent (non-executive) Supervisory Board members (4 persons) to the total number of Supervisory Board members (6 persons) is 67%.

In order to avoid conflicts of interest, the General Meeting may not appoint the members of the Board of Directors and their close relatives to the Supervisory Board. The rules pertaining to the election and recall of the employee-representative member of the Board of Directors are determined by the Workers' Council operating at the Company, and this member is not considered to be independent by the Company.

The Supervisory Board establishes its own procedural rules.

The Company's internal audit organisation is governed by the Supervisory Board, in keeping with the provisions specified in the Credit Institutions Act. The Supervisory Board exercises the right of prior approval in respect of the establishment, termination and remuneration of the managers and employees of the internal audit organisation.

Members of the Supervisory Board of OTP Bank Plc.:

Tibor Tolnay

Chairman of the Supervisory Board

Chairman & CEO

Magyar Építő Zrt.

Tibor Tolnay graduated from the Budapest University of Technology with a degree in civil engineering and then in economic engineering, and subsequently received a degree in economics from the Budapest University of Economics.

In 1994 he was appointed Chairman & CEO of Magyar Építő Rt. He has been Chairman of OTP Bank's Supervisory Board since 1999. He was a member of OTP Bank's Audit Committee between 2007 and 2011, and has been again since 2014.

As of 31 December 2014 he held 54 ordinary OTP shares.

Dr. Gábor Horváth

Deputy Chairman of the Supervisory Board

Lawyer

Dr. Gábor Horváth earned a degree in law from ELTE University in Budapest. From 1983 he worked for the Hungarian State Development Bank. He has been a lawyer since 1986, and since 1990 has run his own law firm, which specialises in corporate finance and corporate governance. He has been a member of the Supervisory Board of OTP Bank since 1995, and was a member of MOL Plc's Board of Directors between 1999 and 2014. He has been Deputy Chairman of OTP Bank's Supervisory Board since 2007. He was a member of OTP Bank's Audit Committee between 2007 and 2011, and has been again since 2014. He has been a member of the Board of Directors of INA Industrija Nafte d.d. since 2014.

As of 31 December 2014 he held no ordinary OTP shares.

Antal Kovács

Deputy CEO, Retail Division

OTP Bank Plc.

Mr. Antal Kovács graduated from the Budapest University of Economics with a degree in economics. He began his professional career in 1990 at the Nagyatád branch of K&H Bank, where he worked as a branch manager between 1993 and 1995. He has been working at OTP Bank Plc. since 1995, first as a county director and from 1998 as the executive director of OTP Bank's South Transdanubian Region. Since 1 July 2007 he has served as OTP Bank's Deputy CEO. He has received additional training at the International Training Centre for Bankers and on various courses held by the World Trade Institute. He has been a member of OTP Bank's Supervisory Board since 2004.

He has been Chairman of the Supervisory Board of OTP Bank Romania SA since 12 December 2012. He has been Chairman of the Board of Directors of OTP Mortgage Bank Ltd. and OTP Building Society Ltd. since 24 April 2014. As of 31 December 2014 he held 27,074 ordinary OTP shares.

András Michnai
Executive Director
OTP Bank Plc.

András Michnai, who represents the employees of OTP Bank, graduated from the College of Finance and Accounting with a degree in business economics. He has been an employee of the Bank since 1974, and until 1981 held a variety of posts in the branch network. From 1981 he held a management position in the central network coordination department and then in the network. From 1994, as deputy management director, he participated in the central coordination of the branch network. From 2005 he headed the Bank's independent Compliance Department (since 2011 a Directorate) as executive director, a post he held until 30 April 2014. He further expanded his professional skills, earning a Master's degree at the College of Finance and Accounting, and is a registered tax advisor. He has been a member of OTP Bank's Supervisory Board since 2008. He has been Secretary of OTP Bank's Employees' Trade Union since December 2011. As of 31 December 2014 he held 6,528 ordinary OTP shares.

Dominique Uzel
Director
Groupama International SA

Dominique Uzel graduated as an agricultural development engineer, then obtained a Master's degree in agricultural and food industry management at the ESSEC Business School. He joined Gan in 1991 as head of the agricultural division. Five years later he left France to join Gan España, where he headed the subsidiary's department responsible for planning and auditing, then became technical director of the newly established Groupama Seguros. In 2008 he was appointed managing director of the insurance business, in which capacity he was instrumental in the launch and roll-out of Click Seguros, a direct marketing tool on the Spanish insurance market. In July 2010 he joined the international board of Groupama S.A. as Managing Director for direct insurance, but he also continued to be responsible for the management of the direct insurance division in Spain and Poland. Since 1 October 2012 he has coordinated the international operations of Groupama S.A. He has been a member of OTP Bank's Supervisory Board since 2013, and a member of OTP Bank's Audit Committee since 2014. As of 31 December 2014 he held no ordinary OTP shares.

Dr. Márton Gellért Vági
General Secretary
Hungarian Football Association

Dr. Márton Gellért Vági graduated in 1987 from the department of foreign economics at the Karl Marx University of Economic Science (today the Corvinus University of Budapest), where he also earned his doctorate in 1994. From 1987 to 2000 he was a member of the university faculty, in the capacity of associate professor and head of department from 1994 onwards. Between 2000 and 2006 he worked at the State Holding and Privatisation Co. (ÁPV Zrt.), as managing director, deputy CEO and then CEO. Between 2006 and 2010 he was Chairman of the National Development Agency. From July 2002 until 1 January 2011 he was a member of the Board of Directors of FHB Nyrt., during which period he also spent four years as Chairman of the Board. Since 2010 he has been general secretary of the Hungarian Football Association. He has authored or co-authored more than 80 research papers, essays and books. He has been a member of OTP Bank's Supervisory Board since 2011, and a member of OTP Bank's Audit Committee since 2014. As of 31 December 2014 he held no ordinary OTP shares.

The **Supervisory Board** meets at least six times a year.

The meetings of the Supervisory Board are convened by the chairman. The meetings must also be convened if a member of the Supervisory Board or at least two members of the Board of Directors, or the auditor, requests it in writing, indicating the objectives and reasons for the meeting.

The Supervisory Board passes its resolutions in accordance with the rules of procedure, by simple majority; minutes are taken of its meetings, and its resolutions are documented.

The table below provides a brief overview of the number of Supervisory Board meetings held in 2014, and of the attendance at these meetings:

Supervisory Board Meetings
2014

<i>Date</i>	<i>Present</i>	<i>Absent</i>
<i>28 Feb.</i>	5	1
<i>14 Mar.</i>	5	1
<i>25 Mar.</i>	5	1
<i>25 Apr</i>	5	1
<i>13 Jun.</i>	4	2
<i>26 Sept.</i>	6	-
<i>21 Oct.</i>	5	1
<i>11 Dec.</i>	5	1

Note:

In 2014 the Supervisory Board met on a total of 8 occasions. In addition, resolutions were passed on 8 occasions by written vote.

The main function of the Supervisory Board is to see to it that the Bank has a comprehensive and effectively operating system of oversight and control. The agendas of the meetings included, among other things, the review of documents to be submitted to the annual ordinary General Meeting, a report on the annual financial statements and on the proposal concerning the use of the after-tax profit, the review of the Bank's annual and interim financial reports, and the proposal to the General Meeting regarding the auditor to be elected as well as his/her remuneration.

The tasks concerning the management of the internal audit unit includes the acceptance of the audit plan at the bank-group level, and the discussion of the report at the bank-group level of the audits performed by the internal audit units and of the performance of the audit tasks at the bank-group level. Additional agenda items include compliance with the provisions of the Credit Institutions Act, the situation in terms of implementation at group level of the Unified Internal Audit System and the further development of the system, a review of the implementation of the resolutions that close the audits performed by the authorities, a review of the volume and composition of the qualified receivables portfolio, changes in impairment and the risk provisioning obligations, report on compliance activity, etc.

Determining the remuneration of the Board of Directors and the Supervisory Committee is in the competence of the Company's supreme body, the General Meeting. The principles and frameworks of the long-term remuneration and incentives system for employees in senior positions are also determined by the General Meeting. Accordingly – on the basis of the provisions on remuneration policy set forth in the Credit Institutions Act, which complies with the relevant EU directives – the Bank's Annual General Meeting of 2011, in its resolution no. 9/2011, approved for the first time the principles and rules of the remuneration policy of the Bank and the Bank Group, and the Board of Directors issued the internal regulations and procedures necessary for their implementation, which documents have been amended several times in recent years by the Bank's General Meeting and Board of Directors, and, due to the statutory amendments made in 2014, by the Supervisory Board. With effect from 2014, the provisions of the Bank Group's Remuneration Policy are approved, implemented and reviewed by the Supervisory Board, while the Board of Directors is responsible for their monitoring. At the Annual General Meetings the Supervisory Board gives a briefing on the annual and medium-term objectives providing the basis for performance-based remuneration, and on their fulfilment.

Audit Committee

The Audit Committee is a body that assists the work of the Supervisory Board in relation to the monitoring of the financial reporting system, selection of the auditor, and cooperation with the auditor.

The following fall within the competence of the Audit Committee:

- giving an opinion on the financial statements prepared in accordance with the Accounting Act;
- drafting the agreement to be concluded with the auditor, obtaining a written declaration on the person nominated for the post of auditor, which specifies whether there is a conflict-of-interest relationship between the company and the nominee;
- liaising with the auditor, and as a part of this, monitoring compliance with the professional standards and conflict-of-interest rules applicable to the auditor, and where necessary making a recommendation to the Supervisory Board regarding any measures to be taken;
- assisting the work of the Supervisory Board in the interest of ensuring the appropriate monitoring of the financial reporting system, and as a part of this, assessing the operation of the financial reporting system and making recommendations regarding any measures that need to be taken;
- receiving regular briefings on the work schedule of Internal Audit and of the independent auditor; receiving the auditor's reports on any identified problems;
- issuing a preliminary opinion on the annual report, presented to the Supervisory Board, on the operation of risk management, the internal control mechanisms and the corporate governance functions.

The Audit Committee consists of four members, and its members are elected by the General Meeting from among the **non-executive** members of the Supervisory Board. The Audit Committee elects a chairperson from among its own members.

The table below provides a brief overview of the number of Audit Committee meetings held in 2014, and of the attendance at these meetings:

**Audit Committee meetings
2014**

<i>Date</i>	<i>Present</i>	<i>Absent</i>
25 Apr.	4	1

Note:

In 2014 the Audit Committee met on a total of 1 occasion. In addition, resolutions were passed on 7 occasions by written vote.

The items on the agenda of the Audit Committee meetings included, among others, a briefing on the profit approved by the Company's auditor, the Company's non-consolidated financial statements prepared in accordance with International Financial Reporting Standards, the report on the financial statements and on the proposal regarding the distribution of the profit, and a recommendation on the selection of the Company's auditor, approval of the person nominated to be responsible for the audit, and the determining of his/her remuneration.

1.2. The operation of the committees

a) **Permanent committees** established by the Bank's Management in support of management functions:

Management Committee

The Management Committee is a permanent committee established by the Board of Directors. It is a forum that directly supports the work of the Chairman & CEO and is the supreme management body of the Bank. It has decision making power in the issues that are relegated into its scope of authority by the Organisational and Operational Regulations, it takes a preliminary position and prepares decisions in the majority of issues that are discussed by the General Meeting, the Board of Directors and the Supervisory Board, and plays a coordinating role in the senior management of the Bank.

Management Coordination Committee

The primary function of the committee is to act as an operative decision-making forum to ensure that the Bank can respond flexibly and effectively to market and regulatory factors and that the Bank as a whole can act in a coordinated fashion. The committee does not diminish the competence of the Bank's related standing committees and acts as an operative forum of coordination between the special areas in order to resolve complex questions. Similarly to the Management Committee, it fulfils a coordination and decision-making function in the Bank as a whole, but its role – unlike the strategic role of the Management Committee – is mainly operative in nature. Owing to the operative nature of the committee, it holds its meetings on an ad hoc basis, without a preliminary work plan, generally on a monthly basis.

The Management Committee and the Management Coordination Committee perform their work on the basis of a six-month work schedule approved by the Management Committee, and meet once a month (and on an ad-hoc basis as and when necessary). Their order of business is determined by their procedural rules.

The following additional permanent committees operate within the Company for the performance of specific tasks:

- Asset-Liability Committee (ALCO)
- Product Development, Sales and Pricing Committee (TÉÁB)
- International Product Development, Sales and Pricing Committee (NTÉÁB)
- Work-Out Committee (WOB)
- Credit and Limits Committee (HLB)
- Group Investment Committee (CsBB)
- Group Operational Risk Management Committee (OpRisk)

Decisions to establish permanent committees are made by the Bank's Board of Directors. The chairpersons and members of the committees are nominated by the Chairman & CEO, and their procedural rules – with the exception of the Management Committee – are approved by the Management Coordination Committee. The Management Committee approves its own procedural rules. In respect of resolutions, the Asset-Liability Committee, the Credit and Limits Committee, the Group Operational Risk Management Committee, the International Product Development, Sales and Pricing Committee, and the Work-Out Committee, operate on the principle of simple majority. The Management Committee, the Management Coordination Committee, the Product Development, Sales and Pricing Committee, and the Group Investment Committee, operate on the principle that grants decision-making authority to the chairman.

b) Other committees:

Ethics Committee

A special committee of the Bank that is elected by the Board of Directors and operates under the management of one of the external members of the Board of Directors.

Remuneration Committee

The Remuneration Committee is a committee that was established by the Board of Directors and meets on a continuous basis, which assists in elaborating the principles for the remuneration of the CEO and the deputy CEOs (hereinafter: Management) and the members of the Board of Directors and Supervisory Board (hereinafter: Office Holders), makes a recommendation in respect of the system or remuneration, and monitors it.

The Remuneration Committee exercises its authority as a body.

Nomination Committee

This committee, which was established by the Board of Directors in 2014 and operates on a continuous basis, elaborates the principles for selection of the members of the Bank's executive bodies, and nominates candidates accordingly, and also makes recommendations regarding the basic principles and framework for the testing of compliance with the requirements prescribed in respect of members of the executive bodies of the Bank and the Bank Group, and in respect of employees in management and key positions.

Its chairperson and members are appointed by the Board of Directors, and its procedural rules are approved by the committee itself.

Risk Assumption and Risk Management Committee

This committee, which was established by the Board of Directors and operates on a continuous basis, fulfils a decision support function, commenting on the Bank's risk assumption strategy and propensity for risk, and providing support for the supervision of implementation of the risk assumption strategy.

Its chairperson and members are appointed by the Board of Directors, and its procedural rules are approved by the committee itself.

1.3. Members of OTP Bank Plc.'s senior management¹ (with CV):

Dr. Sándor Csányi
Chairman & CEO

Dr. Antal Pongrácz
Deputy Chairman, Deputy CEO
Staff Division

Dr. István Gresa
Member of the Board of Directors, Deputy CEO
Credit Approval and Risk Management Division

Antal Kovács
Member of the Supervisory Board CFO, Deputy CEO
Retail Division

(For their CVs, see the section entitled 'Management bodies')

László Bencsik
Chief Strategic and Financial Officer, Deputy CEO
Strategy and Finance Division

Mr. László Bencsik has been deputy CEO of OTP Bank, and head of the Strategy and Finance Division, since August 2009.

He joined OTP Bank in September 2003, when he became executive director of the Bank Operations Management Directorate, and the manager with overall responsibility for controlling and planning.

From 2000 to 2003 he was a project manager at consulting firm McKinsey & Company.

Between 1996 and 2000 he worked as a consultant at Andersen Consulting (now Accenture). In 1996 he graduated from the Faculty of Business Administration at the Budapest University of Economic Sciences, and in 1999 he obtained a Masters in Business Administration (MBA) from INSEAD Business School in France.

Since 13 March 2012 he has been Chairman of the Supervisory Board of DSK Bank.

As of 31 December 2014 he held 14,039 ordinary OTP shares.

¹ The employment relationship of Deputy CEO Dániel Gyuris terminated on 15 April 2014 (for his CV, see Annual Report - 2013). Deputy CEO Ákos Takáts was head of the IT and Bank Operation Division until 30 June 2014 (for his CV, see Annual Report - 2013).

Miroslav Stanimirov Vichev

Deputy CEO

IT and Operation Division

Miroslav Vichev graduated in 1988 with a degree from Sophia Technical University. During his career he has held senior positions in the banking sector, and at various large technology corporations and consulting firms.

From 2003 he was employed by DSK Bank as the head of its IT and Operations Division. Between 2007 and 2014 he held the post of Deputy CEO there.

He has been a Deputy CEO of OTP Bank and head of the IT and Operation Division since 1 July 2014.

As of 31 December 2014 he held no ordinary OTP shares.

László Wolf

Deputy CEO

Commercial Banking Division

László Wolf graduated from the Budapest University of Economic Sciences in 1983. After graduation, he worked at the Bank Relations Department of the National Bank of Hungary for 8 years, and then served as head of Treasury at BNP-KH-Dresdner Bank between 1991 and 1993. From April 1993 he was executive director of OTP Bank's Treasury Directorate, and since 1994 he has been Deputy CEO of the Commercial Banking Division. He has been Chairman of the Board of Directors of OTP banka Srbija since 10 December 2010.

As of 31 December 2014 he held 542,895 ordinary OTP shares.

1.4 Internal control system

The appropriate functioning of the internal control system is provided for, at bank-group level, in accordance with the relevant statutory regulations and in keeping with the relevant Recommendations.

The internal control system, alongside responsible corporate governance, is a cornerstone of the internal lines of defence that promote prudent, reliable and effective operation in accordance with the statutory regulations and internal regulations, protects the economic interests and social objectives of the customers and the owners and ensures continued trust in the Company.

The internal control functions are independent of each other and of the areas they supervise and audit. A significant aspect of their operation is management support; however, internal control functions are also expected to provide support to the senior management in making sound decisions.

Internal audit

The main function of the internal audit system is to protect customers, the company's assets and shareholder's interests, as well as to facilitate and monitor operation in compliance with the statutory provisions.

The internal audit system extends to all of the company's organisational units, business lines and activities, including outsourced activities. To ensure effective auditing, the system's structure is subdivided both vertically and horizontally. On the one hand, the system consists of several modular control levels, while on the other it is segmented in line with the departmental structure of the organisation. The elements of the internal audit system are comprised of in-process and management controls, and an independent internal audit unit and management information system.

The independent internal audit unit assists in the legally compliant and effective management of assets and liabilities and the protection of property; it supports secure business operation, the effectiveness, cost-efficiency and success of internal control systems, the minimisation of risks, and moreover – alongside the compliance unit – it detects and reports departures from the provisions of the statutory regulations and internal policies, makes recommendations for the elimination of deficiencies, and monitors the implementation of the measures. It performs its activities independently, objectively and professionally. Its independence is ensured by the fact that it is professionally overseen by the Supervisory Board, within the framework set out by the Credit Institutions Act.

The independent internal audit organisation has an annual audit plan which is approved by the Supervisory Board. The annual plan is prepared using a risk-based methodology and, in addition to focusing on the areas that entail regulatory, business and operational risk, and the other main risk exposures, it also takes into account the company's prevailing strategic priorities.

The internal audit system, which is applied consistently throughout the Bank Group, includes shareholder audits conducted at the foreign and domestic group members as well as the professional oversight of the internal audit organisations of the financial institutions that are subject to consolidated supervision as specified in the Credit Institutions Act. Uniform internal audit methods are created, continuously developed and implemented in respect of the operation and activities of the bank group members' internal audit units. Internal audit also liaises regularly and cooperates with external auditing bodies.

The internal audit organisation makes independent reports on its auditing activities for the management bodies at quarterly and annual intervals. In its quarterly reports it gives a group-level, summary account of the audits conducted in the given quarter, the risks identified in the course of its own audits and audits conducted by the authorities, and the success of any action taken to eliminate them. In exceptional cases that require immediate intervention, it provides the management with extraordinary briefings. The audit organisation reports annually on the performance of the tasks stipulated in the group-level annual audit schedule, the audits conducted and other activities, and on the circumstances of the organisation's operation, as well as on any changes to the internal audit system.

The organisation annually prepares, for the Supervisory Board, objective and independent reports in respect of the operation of risk management, internal control mechanisms and corporate governance functions.

Risk management

The basis for effective group-level risk management is the introduction of a standardised, "OTP-compatible" organisational structure as well as regulations and procedures at the subsidiaries concerned. The Company has detailed risk management rules for each of the various types of risk (liquidity, market, country, counterparty, credit risk, operational risk, and compliance risk), and these rules are in harmony with the statutory regulations pertaining to prudential banking operations. The annual report describes the risk management practices, the limits, and compliance with these limits.

Within the Company, the Credit Approval and Risk Management Division and the Strategy and Finance Division exercise functional control over the guidelines, methodology and infrastructure of the Bank Group's risk management strategy, the purpose of which is to create a clearly defined, transparent, standardised credit, country, counterparty, market and operational risk management system at group level which complies with the Basel requirements, the expectations of the supervisory authority and local conditions. The Bank Group's Risk Strategy, as well as the rules on risk prescribed by the Credit Institutions Act, are approved by the Bank's Board of Directors.

The Risk Strategy determines, with respect to the entire Bank Group, the framework for risk management and the principles and guidelines of risk assumption.

With respect to the cornerstones of the risk management methodologies, and the main risk topics for Bank Group members, the final decision-making competence is held by the Group members' risk committees (Credit and Limit Committee, Workout Committee, Group Operational Risk Committee).

The Bank's risk management system encompasses the identification of the risks, assessment of their impact, elaboration of the necessary action plans, and the monitoring of their effectiveness and results. The management make their business decisions in a knowledge of all the key risks. All significant risks related to internal and external operations, or to compliance with financial and legal requirements, as well as numerous other risks, are evaluated and managed using a clearly-defined and transparent internal mechanism.

Compliance

In accordance with EU regulations and with the Hungarian statutory provisions an independent organisational unit (the Compliance and Security Directorate) operates at the Company, with the task of exploring and managing compliance risks. This function is supported by the appropriate regulatory documents: the compliance policy, strategy and work plan. The purpose of the compliance policy is to establish the framework of compliance activities in respect of the entire Bank Group, to determine the definition, purpose of compliance and the tasks and scope of the function. Another important document of the compliance policy is the Bank Group's compliance strategy. The compliance policy is approved by the Board of Directors of the Bank. The Compliance and Security Directorate prepares a comprehensive report each year about the Bank Group's compliance activities and position, which is approved by the Bank's Board of Directors. The Bank Group's senior management is responsible for the implementation in practice of the compliance policy.

Auditor

The General Meeting has the authority to elect the company performing the audit, and to approve the nomination of the member responsible for the audit.

Our Company is audited by Deloitte Auditing and Advisory Kft. (Cg. 01-09-071057). Last year the auditor did not perform any activity that might have compromised its independence.

The Board of Directors must inform the Company's General Meeting and Supervisory Board if the auditor is given any other material mandates. In addition, if warranted, the Company's Board of Directors, Supervisory Board and other boards may use the services of an external consultant as well.

1.5. Disclosure of information

Providing regular, authentic information is essential if the shareholders and the other participants in the capital market are to make sound decisions, and the way in which the Company discloses information also has an impact on its reputation.

The Company discloses information in strict compliance with the provisions of Act IV of 2006 on Companies (hereinafter: Companies Act), Act V of 2013 on the Civil Code (hereinafter: Civil Code), the Capital Market Act, the Credit Institutions Act, Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers, and the Regulations governing their Activities (hereinafter: Investment Services Act), Act C of 2000 on Accounting (hereinafter: Accounting Act) and Ministry of Finance Decree 24/2008 (VIII. 15), as well as the relevant regulations of

the BSE. In addition, the Company has effective internal regulations that ensure compliance with the obligation to disclose information.

The aforementioned regulations ensure that all material information pertaining to the Company and having a bearing on the price of the Company's shares is published accurately, in full, and in good time.

The Board of Directors describes its business and strategic goals of the given year at every ordinary General Meeting. The proposal to the General Meeting is published by the Company on the website of the Budapest Stock Exchange in accordance with its rules of disclosure and the provisions of the relevant regulations of the BSE.

The Company, in accordance with the statutory regulations, publishes on the Company's website and in its Annual Report the professional careers of the members of the Board of Directors, the Supervisory Board and the management.

The proposal pertaining to the remuneration of the chairman and members of the Board of Directors and the chairman and members of the Supervisory Board constitute a part of the proposals of the General Meeting.

The Company has detailed risk management regulations that include every type of risk (liquidity, market, country, counterparty, credit, operational, compliance) which are consistent with the statutory regulations pertaining to prudential banking operation. The Annual Report provides information about the Company's risk management practices, the relevant limits and compliance with the limits.

The Company has detailed internal regulations pertaining to insiders and potential insiders that fully comply with the restrictions and prohibitions regulated in detail by the Capital Market Act. In addition, the guidelines pertaining to securities trading by insiders are also available on the website. All transactions involving the Company's shares performed by the members of the Board of Directors and the Supervisory Board are published by the Company in accordance with the rules on disclosure, and the shareholdings in the Company of the officers of the Company (number of shares) are published in the Company's Annual Report.

The Board of Directors has assessed the effectiveness of information disclosure processes in 2014, and found them to be satisfactory.

1.6. Overview of the exercising of shareholders' rights

Participation in the General Meeting and voting rights

Shareholders may exercise their right of participation and their voting rights at the General Meeting, in person or by proxy.

The letters of proxy must be set forth in a notarised deed or a private document of full probative force. In the event that a shareholder is represented at the General Meeting by its legal representative (e.g. director, managing director, mayor etc.), the authenticated deed issued by the court or court of registration concerning the right of representation, or a certificate testifying to the election of the mayor, must be presented at the venue of the General Meeting.

The letters of proxy must be handed over at the location specified in the invitation to the General Meeting, within the allotted time. If the letter of proxy was issued outside Hungary, it

must satisfy, in terms of its form, the statutory provisions pertaining to the authentication or counter-authentication of documents issued outside Hungary. Information on the subject can be obtained from the Hungarian representation offices abroad.

A condition of participation and voting in the General Meeting is that

- the shareholding as at the time of the shareholder matching procedure is corroborated by the result of the shareholder matching procedure;
- the holder of the shares has been effectively entered into the Company's Share Register by the time of its closure in accordance with point 8.4;
- the shareholder's shareholding or voting right does not violate the statutory provisions or the provisions of the Company's Bylaws, which the Company ascertains through a check following receipt of the result of a holder matching procedure from KELER Zrt;

The rules on participation in the General Meeting and the exercising of voting rights on the part of GDR holders are contained in the Custody Agreement concluded between the Bank of New York and OTP Bank.

Further details are contained in the Company's Bylaws on our website.

1.7. Brief description of the rules related to the conducting of the General Meeting

The Company requests a shareholder-matching procedure for the date of the General Meeting (including any repeated General Meeting), as a corporate event, from the Central Clearing House and Depository (Budapest) Ltd. (KELER Zrt.). The shareholder-matching procedure may take place only in the period between the 7th and 5th trading day at the stock exchange prior to the General Meeting (including any repeated General Meeting). The rules pertaining to the shareholder-matching procedure are contained in the effective regulations of KELER.

The Company, at 18:00 Budapest time on the second working day before the General Meeting (or repeated General Meeting), deletes all the data in the Share Register and at the same time registers the results of the shareholder identification process in the Share Register, and closes it with the results of the shareholder identification. After this any entry related to the shareholder's holding may only be made, at the earliest, on the working day following the closure of the General Meeting or following the day of the non-quotate General Meeting..

The General Meeting must be announced in the manner specified in respect of announcements made by the Company, at least 30 days before the projected date of the General Meeting, unless otherwise stipulated in the Civil Code and the Credit Institutions Act.

The invitation must include the following:

- a) the Company's official name and registered office;
- b) the date and place of the General Meeting;
- c) the manner in which the General Meeting is to be held;
- d) the agenda of the General Meeting;
- e) the provisions contained in section 8.5 of the Bylaws, with the reminder that shareholders may participate in and vote at the General Meeting only in compliance therewith;
- f) information about the place and date of the handing over of the letters of proxy;
- g) in the event that there is no quorum, the place and date of the reconvened General Meeting

- h) the time of shareholder identification and closure of the Share Register,
- i) the fact that in order to exercise shareholder's rights the shareholder must be listed in the Share Register at the time of its closure, but subsequent to this the shares may be freely traded without this affecting the ability to exercise shareholder's rights,
- j) the conditions, stipulated in the Bylaws, for exercising the shareholder's right to request information,
- k) the conditions, stipulated in the Bylaws, for exercising the shareholder's right to supplement the agenda of the General Meeting, and
- l) information regarding the time, place and means (including the address of the Company's website) of accessing the motions and proposed resolutions on the agenda of the General Meeting.

Questions not listed on the agenda may be discussed by the General Meeting only if all shareholders are present and they give their unequivocal consent thereto.

The General Meeting is regarded as having a quorum if the votes of the attending shareholders represent more than half of the total votes embodied by shares entitling the holder to vote.

If a duly convened General Meeting still does not have a quorum, then the repeated General Meeting shall have a quorum in respect of the agenda items set forth in the invitation irrespectively of the extent of the voting rights represented by those in attendance. If the agenda of the General Meeting includes a proposal relating to the withdrawal of the shares from any regulated market (hereinafter: delisting), then the repeated General Meeting shall have a quorum in respect of such agenda item if shareholders representing more than half of the votes embodied by the shares conferring voting rights are in attendance.

If a General Meeting that has a quorum cannot pass a resolution in respect of all the items on the agenda, it may decide to suspend the meeting and to convene a follow-up General Meeting, while indicating the new time and place. The General Meeting may only be suspended once, and the follow-up General Meeting must be held within 30 days of the suspension.

In respect of the quorum of a suspended and then reconvened General Meeting (follow-up General Meeting), the general rules apply. The follow-up General Meeting may pass decisions only in respect of the announced agenda items of the original General Meeting in respect of which the original General Meeting did not make a decision.

The General Meeting is chaired by the Chairman of the Board of Directors or another person designated by the Board of Directors who

- opens the General Meeting;
- appoints the person responsible for taking minutes;
- determines whether the General Meeting has a quorum;
- gives and revokes the right to speak;
- formulates resolution proposals and puts them to the vote;
- announces the result of the vote on the basis of the results indicated by the vote counters;
- announces the intermission; and
- closes the General Meeting.

Prior to the opening of the General Meeting, shareholders who have voting devices may notify the Chairman of the General Meeting in writing if they would like to speak in relation to any of the agenda items. The comments made by the shareholders may not be on a topic that is different from the designated agenda item. The Chairman of the General Meeting

must grant the right to speak to persons who have indicated their desire to speak in accordance with the above.

The Chairman of the General Meeting may determine the order in which the comments on the given agenda item will be heard, may grant any person the right to speak or may retract such right, with the proviso that the right to speak may be retracted from a shareholder who has indicated his/her wish to speak in writing only if the shareholder's comments depart from the given agenda item despite a warning in this regard. The Chairman of the General Meeting may prohibit the recording in the minutes of comments that are made after the right to speak is retracted, and may terminate the availability of the technical conditions (microphone) for making such comments.

The Chairman of the General Meeting may decide to hold the General Meeting in private, and, with the exception of the members of the Board of Directors, the executives specified in the Credit Institutions Act, the members of the Supervisory Board, the auditor, shareholders with voting terminals, and the representatives of such shareholders as well as the representatives of the MNB and the BSE, he may exclude anyone from attending the General Meeting.

The General Meeting passes its resolutions, unless the Company's Bylaws stipulate otherwise, through a simple majority of the votes of the attending shareholders.

Decisions at the General Meeting are made by open vote.

In its first resolution, the General Meeting selects, from the list proposed by the Chairman of the General Meeting, the attending shareholders who will act as the authenticator of the minutes and the vote counters. In the case of an unsuccessful vote the Chairman of the Meeting must submit a new proposal.

Minutes must be taken of the General Meeting, which must include the following:

- the Company's official name and registered seat;
- the date and place of the General Meeting and the manner in which it is held;
- data necessary for determining whether the General Meeting has a quorum and changes in the number of persons attending;
- the name of the Chairman of the General Meeting, the person taking the minutes, the authenticator of the minutes and the name of the vote counters;
- the most important events at the General Meeting and the proposals made;
- the resolution proposals, the number of votes for and against the proposals and the number of those who abstained;
- objections to a resolution by any shareholder and any member of the Board of Directors or the Supervisory Board if the person objecting requests it himself.

The minutes are signed by the Chairman of the General Meeting and the person taking the minutes and are authenticated by an attending shareholder who has been selected for this purpose.

The Board of Directors must send the Company Court an authenticated copy of the minutes of the General Meeting within 30 days after the General Meeting is adjourned, together with the attendance register and the documents that certify that the General Meeting was properly convened.

For further details, please consult the Company's Bylaws, which you can download from our website.

1.8. Declaration on Remuneration

In compliance with the applicable European Union directive (CRD IV) and the provisions of the Act on Credit Institutions and Financial Enterprises, the Bank's General Meeting of 2014, its Board of Directors and Supervisory Board have provided for the elaboration of a new Remuneration Policy for the Bank and the Bank Group. In line with the changes to the national and EU legislative environment, the process of implementing the Bank Group's Remuneration Policy has been augmented with a methodological framework relating to the identification of activities and employees with a material impact on risk, which constitutes the basis for determining the group of persons subject to the Bank Group's Remuneration Policy, and with procedural rules relating to the annual evaluation process.

The purpose of the Bank Group's Remuneration Policy is, remaining within the limits of the Bank Group's risk-bearing capacity, to recognise and provide motivational support for the achievement of Bank and Group-level results by the management and holders of key positions at the Bank, and the managers of subsidiaries in the Bank Group.

The Bank Group's Remuneration Policy applies to the members of the Bank's Board of Directors and Supervisory Board, and – among the staff in an employment relationship with the Bank – the members of the Bank's Management (Chairman & CEO and the deputies thereof), and managers who materially influence the Bank's risk profile and its profit, managers performing special executive functions, managers with control functions, all managers whose salaries are in the same pay scale as that of the managers who are subject to the Remuneration Policy due to their function. Among the managers employed by the subsidiaries of the Bank Group that are subject to consolidated supervision, the subsidiaries' chief executive officers, and in the case of certain subsidiaries their level-2 (deputy) managers, and the managers of certain foreign subsidiary banks with special management and decision-making authority determined under national statutory provisions. The resolution on the persons to whom the Bank Group's Remuneration Policy applies is made by the Bank's Supervisory Board.

The members of the Board of Directors and the Supervisory Board receive an honorarium of a fixed amount for their work in this capacity, and do not receive performance-based remuneration.

For the other personnel included in the scope of the Remuneration Policy, the remuneration is composed of fixed and performance-based components. The proportions of fixed and performance-based components of remuneration are determined by the Bank's Supervisory Board based on the function, size and complexity of the unit being managed. The proportion of performance-based remuneration may not exceed 100% of fixed remuneration for any person concerned.

The most important basic principle of the Bank Group's Remuneration Policy is that the extent of performance-based remuneration – subject to a preliminary and retrospective assessment of the risks – depends on the extent to which Bank Group/Bank/Subsidiary-level and individual targets are met.

In the case of managers in an employment relationship with the Bank, the evaluation of performance, besides an assessment of the return on risk-weighted assets (RORAC) indicator for the given activity, takes place on the basis of the criteria used to measure individual performance (financial indicators and indicators of the quality of work performance). In the case of managers at subsidiaries in the Bank Group the evaluation of performance takes place in a differentiated manner, in keeping with the characteristics of the companies' activities. The target values of the indicators are determined by the Bank's Supervisory Board on the basis of the effective financial plan for the given year.

The performance evaluation-based, variable remuneration takes the form of a cash bonus and – where permitted by national legislation – a preferentially-priced share package, in equal proportions. As a main rule, the share-based part of the variable remuneration is provided by the Bank to the employees concerned at the various members of the Bank Group.

In keeping with the Credit Institutions Act, as a general rule, payment of 60% of the variable remuneration is staggered over a period of three years, during which period the deferred amount is determined annually in equal proportions. Determination of eligibility to receive the deferred instalments takes place on the basis of a retrospective assessment of the risks. The assessment of the risks is based both on quantitative criteria used to measure prudent operation, and on qualitative evaluation criteria. Based on the assessment of the risks related to the activities of the employees concerned, the deferred part of the performance-based remuneration may be reduced or withheld completely. A further prerequisite for entitlement to the deferred part is a continuing employment relationship.

The remuneration of the members of the Supervisory Board and the Board of Directors, which is determined in a resolution of the General Meeting, is public, while with respect to the remuneration policy, the Bank complies with its public disclosure obligation in accordance with the prevailing statutory provisions.

2.) CG Report on compliance with the Corporate Governance Recommendations

As part of the Corporate Governance (CG) Report, the Company states, by completing the following tables, the extent to which it has implemented the recommendations and proposals specified in the specific sections of the Corporate Governance Recommendations (hereinafter: CGR) of the Budapest Stock Exchange in its own corporate governance.

By looking at the tables, market participants are able to gain a quick insight into the extent to which the corporate governance practices of particular companies comply with certain requirements specified in the CGR, and to quickly compare the practices of various companies.

Level of compliance with the Recommendations

The company specifies whether it has applied the relevant recommendation or not, and if not, it describes briefly the reasons why a particular recommendation has not been implemented.

1.1.1 The Board of Directors has ensured that shareholders have access, in a timely manner, to the information required for exercising their rights.

Yes

1.1.2 The Company follows the "one share – one vote" principle

No

Each of the Company's ordinary shares ensures one voting right. In keeping with the stipulations of the Company's Bylaws, voting rights depend specifically on the size of the shareholding.

1.2.8 The Company ensures that owners may participate in the General Meeting if they meet the same conditions.

Yes

1.2.9 Only those issues may be put on the General Meeting's agenda that are accurately defined and described.

Yes

The resolution proposals comprised the recommendation of the Supervisory Board and included a detailed explanation of the effects that the decision would have if taken.

Yes

1.2.10 Shareholders' comments and addenda to the agenda items were published no later than two days before the General Meeting.

Yes

1.3.8 Comments made in respect of the agenda items of the General Meeting were available to the shareholders no later than at the time of registration.

Yes

Written comments in respect of the agenda items were published two working days before the General Meeting.

Yes

1.3.10 The election and recall of senior office-holders is made in a separate resolution in respect of each person.

Yes

2.1.1 The tasks of the Board of Directors include those specified in point 2.1.1.

Yes

2.3.1 The Board of Directors held meetings at pre-specified, regular intervals.

Yes

The Supervisory Board held meetings at pre-specified, regular intervals.

Yes

The rules of procedure of the Board of Directors contain provisions about conducting meetings that cannot be planned in advance and about making decisions through electronic media.

Yes

The rules of procedure of the Supervisory Board contain provisions about conducting meetings that cannot be planned in advance and about making decisions through electronic media.

Yes

2.5.1 The Company's Board of Directors / Supervisory Board has a sufficient number of independent members to ensure impartiality.

Yes

2.5.4 The Board of Directors / Supervisory Board regularly (in relation to the annual CG report) asked its members who are considered to be independent to confirm that they are independent.

Yes

2.5.6 The Company has published on its website its guidelines concerning the independence of the Board of Directors / Supervisory Board and the applied criteria of independence.

Yes

2.6.1 Members of the Board of Directors notified the Board of Directors (supervisory board / Audit Committee) if he/she (or a person who is closely related to him/her) had a material personal stake in any transaction of the Company (or any of its subsidiaries).

Yes

2.6.2 Transactions concluded between board and management members (and persons related to them) and the Company (or its subsidiary) were conducted in accordance with the regular business practices of the Company but on the basis of stricter rules of transparency than is customary in the course of regular business practices.

Yes

Transactions, specified in 2.6.2, which depart from regular business practices and the conditions thereof were accepted by the Supervisory Board (Audit Committee).

No

The Company prepared procedural rules for approving transactions that depart from usual business practices, and this ensures adequate control.

2.6.3 The board member informed the Supervisory Board / Audit Committee (Nomination Committee) if he/she was asked to act as a member on the board or in the management of a company that does not belong to the Group.

Yes

2.6.4 The Board of Directors created guidelines pertaining to the flow of information within the Company as well as the management of insider information and supervises compliance therewith.

Yes

The Board of Directors created guidelines pertaining to insider trading of securities and supervises compliance therewith.

Yes

2.7.1 The Board of Directors created remuneration guidelines for the remuneration and evaluation of the work of the Board of Directors, the Supervisory Board and the management.

Yes

The Supervisory Board commented on the remuneration guidelines.

Yes

The General Meeting approved the remuneration guidelines and the amendments thereto pertaining to the Board of Directors and the Supervisory Board in a separate agenda item.

Yes

2.7.2 The Board of Directors must evaluate its own performance in a given business year.

No

The Company has a Nomination Committee, which has assessed the board's work.

2.7.2.1 The Board of Directors evaluated its own performance in a given business year.

No

The Company has a Nomination Committee, which has assessed the board's work

2.7.3 The supervision of the performance of the management and the remuneration of the management falls within the competence of the Board of Directors.

Yes

The framework of and changes in benefits that are due to the members of the management and are different from what is customary are approved by the General Meeting in a separate agenda item.

Yes

2.7.4 The General Meeting approved the principles of share-based remuneration schemes.

Yes

Prior to the decision by the General Meeting concerning share-based remuneration schemes the shareholders received detailed information (at least as described in point 2.7.4)

Yes

2.7.7 The Company has prepared a Declaration on Remuneration and presented it to the General Meeting.

No

In compliance with the applicable European Union directive (CRD IV) and the provisions of the Credit Institutions Act, the Bank's General Meeting of 2014, and its Board of Directors and Supervisory Board, have provided for the elaboration of a new Remuneration Policy for the Bank and the Bank Group. In line with the changes to the national and EU legislative environment, the process of implementing the Bank Group's Remuneration Policy has been augmented with a methodological framework relating to the identification of activities and employees with a material impact on risk, which constitutes the basis for determining the group of persons subject to the Bank Group's Remuneration Policy, and with procedural rules relating to the annual evaluation process.

The purpose of the Bank Group's Remuneration Policy is, remaining within the limits of the Bank Group's risk-bearing capacity, to recognise and provide motivational support for the achievement of Bank and Group-level results by the management and holders of key positions at the Bank, and the managers of subsidiaries in the Bank Group.

The Bank Group's Remuneration Policy applies to the members of the Bank's Board of Directors and Supervisory Board, and – among the staff in an employment relationship with the Bank – the members of the Bank's Management (Chairman & CEO and the deputies thereof), and managers who materially influence the Bank's risk profile and its profit, managers who perform special executive functions, managers with control functions, all managers whose salaries are in the same pay scale as that of the managers who are subject to the Remuneration Policy due to their function. Among the managers employed by the subsidiaries of the Bank Group that are subject to consolidated supervision, the subsidiaries' chief executive officers, and in the case of certain subsidiaries their level-2 (deputy) managers, and the managers of certain foreign subsidiary banks with special management and decision-making authority determined by the provisions of relevant national legislation. The resolution on the persons to whom the Bank Group's Remuneration Policy applies is made by the Bank's Supervisory Board.

The members of the Board of Directors and the Supervisory Board receive an honorarium of a fixed amount for their work in this capacity, and do not receive performance-based remuneration.

For the other personnel included in the scope of the Remuneration Policy, the remuneration is composed of fixed and performance-based components. The proportions of fixed and performance-based components of remuneration are determined by the Bank's Supervisory Board based on the function, size and complexity of the unit being managed. The proportion of performance-based remuneration may not exceed 100% of fixed remuneration for any person concerned.

The most important basic principle of the Bank Group's Remuneration Policy is that the extent of performance-based remuneration – subject to a preliminary and retrospective assessment of the risks – depends on the extent to which Bank Group/Bank/Subsidiary-level and individual targets are met.

In the case of managers in an employment relationship with the Bank, the evaluation of performance, besides an assessment of the return on risk-weighted assets (RORAC) indicator for the given activity, takes place on the basis of the criteria used to measure individual performance (financial indicators and indicators of the quality of work performance). In the case of managers at subsidiaries in the Bank Group the evaluation of performance takes place in a differentiated manner, in keeping with the characteristics of the

companies' activities. The target values of the indicators are determined by the Bank's Supervisory Board on the basis of the effective financial plan for the given year.

The performance evaluation-based, variable remuneration takes the form of a cash bonus and – where permitted by national legislation – a preferentially-priced share package, in equal proportions. At all the members of the Bank Group, the share-based part of the variable remuneration is provided to the employees concerned by the Bank.

In keeping with the Credit Institutions Act, as a general rule, payment of 60% of the variable remuneration is staggered over a period of three years, during which period the deferred amount is determined annually in equal proportions. Determination of eligibility to receive the deferred instalments takes place on the basis of a retrospective assessment of the risks. The assessment of the risks is based both on quantitative criteria used to measure prudent operation, and on qualitative evaluation criteria. Based on the assessment of the risks related to the activities of the employees concerned, the deferred part of the performance-based remuneration may be reduced or withheld completely. A further prerequisite for entitlement to the deferred part is a continuing employment relationship.

The remuneration of the members of the Supervisory Board and the Board of Directors, which is determined in a resolution of the General Meeting, is public, while with respect to the remuneration policy, the Bank complies with its public disclosure obligation in accordance with the prevailing statutory provisions.

The Declaration on Remuneration contains the remuneration of certain members of the Board of Directors, the Supervisory Board, and the management.

No

See the previous point.

2.8.1 The Board of Directors or the committee operated by it is responsible for the supervision and direction of the Company's entire risk management operations.

Yes

The Board of Directors verifies the efficiency of risk management procedures at specific intervals.

Yes

The Board of Directors took the necessary steps to identify key risk areas.

Yes

2.8.3 The Board of Directors formulated the principles pertaining to the internal control system.

Yes

The internal control system, which has been established by the management, ensures that the risks to which the Company is exposed are managed and that the Company's objectives are attained.

Yes

2.8.4 When formulating the internal control system, the Board of Directors took into account the criteria specified in point 2.8.4.

Yes

2.8.5 The management is responsible for establishing and maintaining the internal control system.

Yes

2.8.6 The company created an independent internal audit function, which is under obligation to report to the Audit Committee / Supervisory Board.

Yes

The internal audit group reported, at least once, to the Audit Committee / Supervisory Board about the operation of risk management, the internal control mechanisms, and the corporate governance functions.

Yes

2.8.7 The internal audit activity is performed by internal audit on the basis of a mandate given by the Audit Committee / Supervisory Board.

Yes

Internal audit is organisationally separate from operative management.

Yes

2.8.8 The internal audit plan was approved by the Board of Directors (Supervisory Board) upon the recommendation of the Audit Committee.

Yes

2.8.9 The Board of Directors prepared a report for shareholders on the operation of internal controls.

Yes

2.8.10 The Board of Directors formulated its rules of procedure in respect of receiving and processing reports on the operation of internal controls and preparing its own reports.

Yes

2.8.11 The Board of Directors identified the key deficiencies of internal controls and reviewed and re-evaluated the relevant activities.

Yes

2.9.2 The Board of Directors, the Supervisory Board and the Audit Committee were notified when the auditor's mandate, by its nature, may have incurred considerable expenditure, may have given rise to a conflict of interest or may have had any other material impact on business operations.

Yes

2.9.3 The Board of Directors notified the Supervisory Board if it gave a mandate to an audit company or an external audit expert in respect of an event that has a material impact on the Company's operation.

Yes

The Board of Directors specified in advance, in a resolution, the events that may be considered to have a material impact on the Company's operation.

Yes

3.1.6 The company published on its website the tasks delegated to the Audit Committee, and the committee's objectives, rules of procedure and composition (specifying the members' names, a brief CV and the date of appointment).

No

OTP Bank Plc. has established and operates an Audit Committee, which supports the work of the Supervisory Board, and the Bank has published the names of the members, each with

a brief CV. The tasks delegated to the Audit Committee, and the objectives and procedural rules of the Committee, are not in the public domain.

3.1.6.1 The company published on its website the tasks delegated to the Nomination Committee, and the committee's objectives, rules of procedure and composition (specifying the members' names, a brief CV and the date of appointment).

No

OTP Bank Plc. has established and operates an Audit Committee, which supports the work of the Supervisory Board, and the Bank has published the names of the members, each with a brief CV. The tasks delegated to the Audit Committee, the objectives and procedural rules of the Committee are not in the public domain.

3.1.6.2 The company published on its website the tasks delegated to the Remuneration Committee, and the committee's objectives, rules of procedure and composition (specifying the members' names, a brief CV and the date of appointment).

Yes

3.2.1 The Audit Committee / Supervisory Board oversaw the effectiveness of risk management, the operation of the internal control system and the internal audit activity.

Yes

3.2.3 The Audit Committee / Supervisory Board received accurate and detailed information about the work schedule of the internal auditor and the independent auditor, and received a copy of the report by the auditor on the problems identified during the audit.

Yes

3.2.4 The Audit Committee / Supervisory Board asked the new nominee for auditor to submit a disclosure declaration as specified in 3.2.4.

Yes

3.3.1 The Company has a Nomination Committee.

Yes

3.3.2 The Nomination Committee prepares the way for changes in personnel.

Yes

For managers who are subject to the authority of the Nomination Committee.

The Nomination Committee reviewed the procedures pertaining to the selection and appointment of the members of the management.

Yes

The Nomination Committee evaluated the activities of board members and the members of the management.

Yes

The Nomination Committee examined all proposals concerning the nomination of board members that were proposed by the shareholders or by the Board of Directors.

Yes

3.4.1 The Company has a Remuneration Committee.

Yes

3.4.2 The Remuneration Committee has submitted a proposal regarding the remuneration system of the boards and the management (amount and structure of remuneration for each person), and oversees this process.

Yes

3.4.3 The remuneration of the management has been approved by the Board of Directors based on the proposal of the Remuneration Committee.

Yes

The remuneration of the Board of Directors is approved by the General Meeting upon the recommendation of the Remuneration Committee.

Yes

The Remuneration Committee has also checked the system of share options, cost reimbursements and other contributions.

Yes

3.4.4 The Remuneration Committee formulated proposals with regard to the principles of remuneration.

Yes

3.4.4.1 The Remuneration Committee formulated proposals with regard to the remuneration of individual persons.

Yes

3.4.4.2 The Remuneration Committee reviewed the terms and conditions of contracts that were concluded with the management.

No

A review of the terms of contracts concluded with members of the management does not fall within the remit of the Remuneration Committee.

3.4.4.3 The Remuneration Committee checked if the Company has satisfied the obligation of disclosure regarding executive remuneration issues.

Yes

3.4.7 The majority of the members of the Remuneration Committee are independent.

Yes

3.5.1 The Board of Directors has disclosed its reasons for merging the Remuneration and the Nomination Committee.

No

The Company operates a Remuneration Committee and a Nomination Committee.

3.5.2 The Board of Directors performed the tasks of the Nomination Committee and issued a statement on its reasons for doing so.

No

The Nomination Committee performed its own tasks.

A 3.5.2.1 The Board of Directors performed the tasks of the Remuneration Committee and issued a statement on its reasons for doing so.

No

The Remuneration Committee performed its own tasks.

4.1.1 The Board of Directors, in its disclosure guidelines, has determined the principles and procedures that ensure that all material information that has a significant bearing on the Company and on the price of its shares is published and is accessible accurately, in full and in good time.

Yes

A 4.1.2 In the course of providing information, the Company has ensured that all shareholders and market participants receive equal treatment.

Yes

4.1.3 The Company's disclosure guidelines include electronic and internet disclosure procedures.

Yes

The Company's website has been created with due regard to the disclosure guidelines, and with a view to providing appropriate information to investors.

Yes

4.1.4 The Board of Directors has assessed the effectiveness of disclosure processes.

Yes

4.1.5 The Company publishes its corporate events calendar on its website.

Yes

4.1.6 The Company, in its annual report and on its website, has provided information to the public about its strategic goals and about its guidelines related to its core activity, business ethics and its various stakeholders.

Yes

4.1.8 The Board of Directors has stated in its annual report the other mandates, together with the type and volume of such mandates, that the entity that audits the Company's annual financial statements has received from the Company and its subsidiaries.

Yes

4.1.9 The Company, in its annual report and on its website, has disclosed information pertaining to the professional careers of members of the Board of Directors, the Supervisory Board and the management.

Yes

4.1.10 The Company provided information about the internal organisation and operation of the Board of Directors and the Supervisory Board.

No

The Company's website provides information about the operation of its management bodies in the Bylaws.

See also: point 2.7.2.

4.1.10.1 The Company provided information about the work of the Board of Directors and the Management Committee, and the criteria applied when evaluating the individual members.

No

See above.

4.1.11 The Company has published in its annual report and on its website a Declaration on Remuneration, which describes the remuneration guidelines used and, specifically, the guidelines pertaining to the remuneration of members of the Board of Directors, the Supervisory Board and the management.

No

See the comments under point 2.7.7 above.

4.1.12 The Board of Directors has published risk management guidelines which discuss the internal control system, and the risk management principles and rules, and provide an overview of major risks.

Yes

4.1.13 In order to provide information to market participants, the Company publishes its report on corporate governance once a year, when the annual report is published.

Yes

4.1.14 The Company publishes on its website the guidelines pertaining to securities trading in respect of the Company's shares by persons classified as insiders.

Yes

The Company, in its annual report and on the Company's website, has disclosed information about the stakes held in the Company's securities and in its share-based incentive system by members of the Board of Directors, the Supervisory Board and the management.

Yes

4.1.15 The Company has published in the annual report and on the Company's website the relationship of members of the Board of Directors and the management with any third parties that may have an impact on the Company's operation.

Yes

Level of compliance with the recommendations

The Company must specify whether it applies the relevant recommendation of the FTA or not.

Yes

J 1.1.3 The Company has an organisational unit that deals with investor relations.

Yes

J 1.2.1 The Company has published on its website the summary related to its General Meetings and shareholder voting rights (including voting by proxy).

Yes

J 1.2.2 The Company's Bylaws are accessible on the Company's website.

Yes

J 1.2.3 The Company's website contains the information specified in point 1.2.3 (regarding the cut-off date in respect of corporate events).

Yes

J 1.2.4 The Company has published on its website the information and documents regarding the General Meeting as specified in point 1.2.4 (invitation, proposals, resolution proposals, resolutions, minutes).

Yes

J 1.2.5 The Company held its General Meeting by ensuring that as many shareholders can attend as possible.

Yes

J 1.2.6 The Company published the addenda to the agenda items within five days of their receipt, in a manner that is identical to the manner of publishing the original invitation to the General Meeting.

Yes

J 1.2.7 The voting procedure used by the Company ensured that the decision by the owners is determined unequivocally, clearly and quickly.

Yes

J 1.2.11 The Company, upon the shareholders' request, forwarded information pertaining to the General Meeting electronically as well.

Yes

J 1.3.1 The Company's General Meeting accepted the chairman of the General Meeting prior to the actual discussion of the agenda items.

No

J 1.3.2 The Board of Directors and the Supervisory Board were represented at the General Meeting.

Yes

J 1.3.3 The Company's Bylaws allow the invitation of a third party to the Company's General Meetings upon the initiative of the Chairman of the Board of Directors or the shareholders of the Company, and such third party may participate with advisory right and comment on the relevant agenda item.

Yes

J 1.3.4 The Company did not restrict the right of owners who participate in the General Meeting to ask for information, to comment and to submit a motion and did not set any preconditions in respect of such right.

Yes

J 1.3.5 The Company published on its website within three days its responses to questions that it was unable to answer satisfactorily at the General Meeting. The Company published an explanation in respect of questions that it refused to answer.

Yes

J 1.3.6 The chairman of the General Meeting and the Company ensured that responses to questions asked at the General Meeting did not violate any statutory or stock exchange regulations pertaining to the provision of information and disclosure and ensured that such provisions are observed.

Yes

J 1.3.7 The Company published a press release and/or held a press conference about the decisions of the General Meeting.

Yes

J 1.3.11 The Company's General Meeting makes decisions about amendments to the Bylaws in separate resolutions.

Yes

J 1.3.12 The Company published the minutes of the General Meeting containing the Company's resolutions, the description of the resolution proposals and all material questions and answers concerning the resolution proposals within 30 days after the General Meeting.

Yes

J 1.4.1 The Company, within 10 working days, paid dividends to shareholders who have provided all necessary information and documents.

Yes

J 1.4.2 The Company published its guidelines concerning solutions for preventing hostile takeovers directed at the Company.

No

J 2.1.2 The rules of procedure of the Board of Directors contain the organisational structure of the Board of Directors, tasks related to the preparation and execution of the meetings and the formulation of resolutions and other issues related to the operation of the Board of Directors.

Yes

J 2.2.1 The Supervisory Board provides a detailed description in its rules of procedure and work plan of the operation and tasks of the board, as well as of the administrative rules and procedures that the Supervisory Board follows.

Yes

J 2.3.2 The board members had access to the proposals of the given meeting at least five days before the given meeting.

Yes

J 2.3.3 The rules of procedure stipulate the regular and occasional participation in the board meetings of non-board members.

Yes

J 2.4.1 The members of the Board of Directors were selected in a transparent manner, and information pertaining to the candidates were disclosed at least five days before the General Meeting.

Yes

J 2.4.2 The composition and headcount of the boards complies with the stipulations of point 2.4.2.

Yes

J 2.4.3 In the orientation program of the Company, newly elected non-executive board members were able to learn about the structure and operation of the Company and their tasks as board members.

Yes

J 2.5.2 The division of the tasks of the chairman and the CEO is stipulated in the key documents of the Company.

Yes

J 2.5.3 The Company provided information about how it ensures that the Board of Directors remains objective in its evaluation of the management activities in the event that the position of Chairman & CEO is combined.

No

J 2.5.5 No member of the Company's Supervisory Board held a position on the Company's Board of Directors or in the management in the three years prior to his/her nomination.

No

J 2.7.5 The remuneration policy of the Board of Directors, the Supervisory Board and the management serves the purposes of the Company and therefore the strategic objectives of shareholders.

Yes

J 2.7.6 Members of the Supervisory Board receive a fixed remuneration no portion of which is tied to the share price.

Yes

J 2.8.2 The Board of Directors elaborated risk management principles and basic rules together with the members of the management who are responsible for planning, operating and supervising risk management processes and for the incorporation thereof into the Company's daily operation.

Yes

J 2.8.10 When evaluating the internal control system, the Board of Directors took into account the criteria specified in 2.8.10.

Yes

J 2.8.12 The Company's auditor assessed and evaluated the Company's risk management systems and the risk management activities of the management and submitted a relevant report to the Audit Committee / Supervisory Board.

Yes

J 2.9.1 The rules of procedure of the Board of Directors include the procedure to be followed when the services of an external consultant are used.

Yes

J 2.9.1.1 The rules of procedure of the Supervisory Board include the procedure to be followed when the services of an external consultant are used.

Yes

J 2.9.1.2 The rules of procedure of the Audit Committee include the procedure to be followed when the services of an external consultant are used.

Yes

J 2.9.1.3 The rules of procedure of the Nomination Committee include the procedure to be followed when the services of an external consultant are used.

No

J 2.9.1.4 The rules of procedure of the Remuneration Committee include the procedure to be followed when the services of an external consultant are used.

No

J 2.9.4 The Board of Directors may invite the Company's auditor to attend its meetings where the agenda items of the General Meeting are discussed, with advisory right.

Yes

J 2.9.5 The Company's internal audit organisation cooperated with the auditor in order to ensure the effective execution of the audit.

Yes

J 3.1.2 The chairman of the Audit Committee regularly informs the Board of Directors of the individual meetings of the committee, and the committee prepares at least one report each business year for the executive body and the Supervisory Board.

No

J 3.1.2.1 The chairman of the Nomination Committee regularly informs the Board of Directors of the individual meetings of the committee, and the committee prepares at least one report each business year for the executive body and the Supervisory Board.

Yes

J 3.1.2.2 The chairman of the Remuneration Committee regularly informs the Board of Directors of the individual meetings of the committee, and the committee prepares at least one report each business year for the executive body and the Supervisory Board.

Yes

J 3.1.4 The Company's committees consist of members who have appropriate abilities, expertise and experience for carrying out their tasks.

Yes

J 3.1.5 The rules of procedure of the Company's committees contain the stipulations specified in point 3.1.5.

Yes

J 3.2.2 The members of the Audit Committee / Supervisory Committee received comprehensive information on the Company's accounting, financial and operating characteristics.

Yes

J 3.3.3 The Nomination Committee prepared at least one evaluation for the chairman of the Board of Directors about the operation of the Board of Directors and the work and performance of individual members of the Board of Directors.

Yes

J 3.3.4 The majority of the members of the Nomination Committee is independent.

Yes

J 3.3.5 The Nomination Committee's rules of procedure include the stipulations specified in 3.3.5.

No

J 3.4.5 The Remuneration Committee ensures that a declaration on remuneration is prepared.

No

J 3.4.6 The Remuneration Committee consists only of the non-executive members of the Board of Directors.

Yes

J 4.1.4 The Company's disclosure guidelines include at least the stipulations set out in point 4.1.4.

Yes

In the annual report the Board of Directors informs shareholders of the results of its study concerning the effectiveness of disclosure processes.

Yes

J 4.1.7 The Company prepares its financial statements in accordance with IFRS principles.

Yes

J 4.1.16 The Company prepares and publishes its statements in English as well.

Yes

5/2/2015

1. AMENDMENT PROPOSAL RELATED TO ACT CCXXXVII OF 2013 ON CREDIT INSTITUTIONS AND FINANCIAL ENTERPRISES (HPT.) (BYLAWS [SECTION 8.13])

1.1. [Rapid convening of the General Meeting to avoid supervisory measures]

“8.13. The notice convening the General Meeting – in the absence of any provision of the Civil Code or Credit Institutions Act to the contrary – shall be published in the manner specified for the Company’s notices, at least 30 days before the first day of the planned General Meeting. An announcement convening an (extraordinary) General Meeting to decide on an increase of capital in the interest of avoiding the ordering of a procedure referred to in Article 135, paragraph (2) of the Hpt. may be published at least 10 days prior to the planned first day of the General Meeting“

2. AMENDMENTS RELATED TO ACT V OF 2013 ON THE CIVIL CODE [BYLAWS SECTIONS 8.3; 8.8; 8.17; 8.18; 8.30; 8.33; 11.5 AND 14.1, AND ARTICLE 15]

2.1. In view of the scope for exercising discretion under the Civil Code, we recommend amending the Bylaws as follows:

(a) [Reduction in the shareholder presence necessary for a quorum]

“8.17. The General Meeting shall have a quorum if the shareholders representing more than ~~half~~one third of the votes embodied by voting shares are in attendance.”

(b) [Clarification of the requirements for a shareholder’s letter of proxy]

“8.3. The shareholders may exercise their right to participate and vote at the General Meeting either in person or through a proxy. The letter of proxy must be presented in the form of a notarised document or a private deed of full probative force, and a copy must be handed over at the place and during the period specified in the announcement on the convening of the General Meeting. The letter of proxy may be valid for one general meeting or for a specified period, but for a maximum of twelve months. The letter of proxy – in the absence of a provision to the contrary – shall extend to a general meeting convened to continue a suspended general meeting, or a general meeting that has been reconvened due to lack of quorum.”

(c) [Defining the framework for exercising shareholder representation rights]

“8.8. *Voting at the General Meeting is performed using a computer, with a voting device. The shareholder or the shareholder’s proxy, provided that he or she is attending lawfully in accordance with the provisions of these Articles of Association, may collect the voting device after certifying his or her identity and signing the attendance register at the venue of the General Meeting. If due to technical reasons voting is not possible with the voting device, the voting shall take place using books of voting slips. Any given shareholder (including a shareholder represented by a shareholder’s proxy) is only entitled to use a single voting device (book of voting slips).”*

(d) [Creation of the opportunity to issue equity bonds]

“8.33. *The General Meeting has exclusive authority with respect to the following matters:*

10. *a decision – unless the Civil Code provides otherwise – on the issuance of convertible bonds, equity bonds, or bonds with subscription rights;*

“14.1. *The Company may raise its registered capital through a resolution of the General Meeting. The registered capital may be raised by any means specified in the relevant statutory regulations, especially*

a) by issuing new shares;

b) to the charge of net assets in excess of existing registered capital;

c) by issuing employee shares; and/or

d) as a contingent capital increase, by issuing convertible bonds or equity bonds.”

(e) [Formal requirements for legal declarations by shareholders]

“Article 15

Notices

15.1 *The Company publishes its notices specified in the statutory regulations and in these Articles of Association and announcements on its own website (www.otpbank.hu), on the website of the Budapest Stock Exchange (BSE) (www.bet.hu), and on the website operated by the Supervisory Authority (www.kozzetetelek.hu).*

15.2 *Any legal declaration made by the shareholder to the Company shall only be valid if set forth in a public document, or in a private deed of full probative force in accordance with Act III of 1952 on Civil Procedure.”*

2.2. Proposals to clarify certain provisions of the Bylaws:

(a) [Convening a reconvened general meeting]

8.18 *If a properly convened General Meeting is inquorate, the reconvened General Meeting – convened at the time and place specified in the notice described in section 8.13 – shall be quorate with respect to the items on the original agenda, regardless of the extent of voting rights represented by those in attendance. Should the agenda of the General Meeting contain a proposal regarding the termination of trading in the shares in all regulated markets (hereinafter: delisting), the reconvened General Meeting shall have a quorum with regard to this agenda item if the shareholders representing more than half of the votes embodied by the voting shares are in attendance.”*

(b) [Content of the minutes]

“8.30. *Minutes of the General Meeting must be taken, and must contain the following:*
[...]

- f.) *the proposed resolutions, for each resolution, the number of shares on behalf of which a valid vote was cast, the extent of share capital represented by such votes, the number of the votes for and against the proposals, and the number of abstentions;”*

(c) [Approval of the Supervisory Board’s rules of procedure]

“11.5. *The Supervisory Board determines and approves its own rules of procedure.”*

6/2015

REMUNERATION GUIDELINES OF OTP BANK PLC.

The Bank Group's Remuneration Policy is an integral part of the corporate governance system, and must be enforced throughout the entire Bank Group. The Bank Group's Remuneration Policy, in keeping with the relevant European Union directive, is consistent with effective and successful risk management, and in accordance with its purpose, it does not encourage the assumption of risks that exceed the risk-assumption limits of the Bank and Bank Group-member subsidiaries, and furthermore it is consistent with the business strategy, objectives, values and long-term interests of the Bank and Bank Group-member subsidiaries, and it promotes the achievement of this.

1. The objective of the Remuneration Policy

The objective of the Bank Group's Remuneration Policy is to acknowledge the performance, within the risk-tolerance capacity of the Bank Group, of the management of OTP Bank and of individual managers occupying key positions, as well as of the heads of the subsidiaries of the Bank Group in contributing to results at the bank and at the group level, and to provide an incentive for performance.

2. Effect of the Remuneration Policy

In the interests of determining the personal scope of the Bank Group's Remuneration Policy, the Bank, in accordance with the applicable European Union regulations, and taking into account criteria that reflect the institution's particular risk profile, applies, on the basis of the results of comprehensive risk-analysis procedures, a set of internal criteria that are consistent with the business and risk strategy, based on which it performs an annual assessment for the purpose of identifying employees who materially influence the Bank's risk profile.

The following individuals fall under the effect of the Bank Group's Remuneration Policy:

- members of the Board of Directors of OTP Bank Plc.
- members of the Supervisory Board of OTP Bank Plc.

and of the employees of OTP Bank Plc.

- the Bank's CEO
- the Bank's deputy CEOs
- managers that influence the Bank Group's risk profile and profit in a material extent
- managers with responsibility for special management functions
- managers fulfilling controlling functions

furthermore, of the managers employed by the subsidiaries of the Bank Group that are subject to consolidated supervision – in the absence of any provision to the contrary under national legislation:

- the top managers of the subsidiaries
- in the case of certain subsidiaries, the 2nd-level (deputy) managers of the subsidiaries.
- managers of certain foreign subsidiary banks with special management and decision-making authority determined under national statutory provisions.

Decisions on the persons subject to the scope of the Bank Group's Remuneration Policy are made by the Supervisory Board of the Bank.

3. The framework for applying the Bank Group’s Remuneration Policy to the subsidiaries

All basic decisions under the remuneration policy shall be made by OTP Bank Plc., while the subsidiaries shall be responsible for complying with local statutory regulations and obligations.

- In the case of **credit institutions that have their registered seat in Hungary**, the remuneration policy shall be comprehensively applied in respect of level 1 and level 2 managers.
- In the case of the **foreign subsidiaries**, the performance-based components of compensation specified in the remuneration policy shall be applied – observing any limitations under national statutory provisions – with the proviso that in the case of subsidiaries outside of the European Union, the principle of proportionality shall be observed in the payment process for performance-based remuneration.
- In the case of **Investment Fund Management Companies and Financial Enterprises**, the remuneration policy will be applied using the principle of proportionality, with the proviso that in the case of companies operating within EU member states the payment of performance-based remuneration will be deferred.
- In the case of the **Auxiliary Enterprises** – in view of the nature of their activities – the vehicles of remuneration are determined in the form of a basic salary and a bonus.

4. The ratio of fixed and variable remuneration

The **members of the Board of Directors** and the **Supervisory Board** receive an honorarium of a fixed amount for their work in this capacity, and do not receive performance-based remuneration.

With respect to the persons covered by the remuneration policy, remuneration shall consist of fixed and variable components. The main components of fixed remuneration are the basic salary and ordinary shares issued by OTP Bank. The fixed remuneration provided in the form of ordinary shares in OTP Bank is settled once a year, within 30 days after the General Meeting that closes the given business year, with the proviso that in respect of 50% of the shares the beneficiaries are subject to an extended holding obligation (prohibition on sale) of one year.

The ratio of fixed and performance-based remuneration components shall be determined by the Bank’s Supervisory Board, according to the function, size and complexity of the organization managed. The ratio of performance-based remuneration cannot exceed the 100% of the fixed remuneration in case of each concerned person.

The current ratios of fixed and performance-based remuneration are as follows:

Management categories covered by the remuneration policy of the OTP Bank Group	Structure of remuneration	
	ratio of fixed remuneration	ratio of performance remuneration
members of the Board of Directors of OTP Bank Plc.*	100%	
members of the Supervisory Board of OTP Bank Plc.*	100%	
the employees of OTP Bank Plc.		
positions that materially influence the risk profile and profit	50-60%	50-40%
positions with responsibility for special management functions	50-60%	50-40%
positions with controlling functions	60%	40%
from of the managers employed by the subsidiaries of the Bank Group that are subject to consolidated supervision		
the top managers of the subsidiaries	50-80%	50-20%
in the case of key subsidiaries, 2nd-level (deputy) managers and holders of positions with responsibility for special management functions	50-67%	50-33%

*fixed-amount honorarium

5. The method and instruments of performance assessment linked to variable remuneration

In the case of **managers employed by OTP Bank Plc.**, performance is assessed, in addition to the RORAC index ² reflecting the Bank Group's return on risk adjusted capital, on the basis of criteria measuring individual performance (financial indices, as well as indices measuring the quality of work).

In the case of the **managers of the Bank Group's subsidiaries**, performance is assessed on a differential basis, in view of the nature of the companies' respective activities.

The target values of the indices are determined by the Bank's Supervisory Board on the basis of the prevailing annual financial budget. The Supervisory Board may modify such target values in consideration of statutory changes implemented after the determination thereof and/or changes in market circumstances that have a significant objective effect on the Bank's profit and/or the achievement of the target values set.

6. Determining entitlement to variable remuneration

In respect of the year evaluated, the entitlement to variable remuneration and the extent thereof must be determined within 30 days following the ordinary annual General Meeting closing the year in question.

- For **senior managers of OTP Bank Plc.** (CEO and deputy CEOs) the entitlement to variable remuneration and the extent of such compensation shall be determined by the Supervisory Board, in proportion to the fulfilment of annual objectives.
- The entitlement of **managers employed by the Bank** to variable remuneration and the extent thereof shall be determined by the CEO, with the proviso that in respect of the heads of Risk Management, Internal Audit and Compliance the Remuneration Committee has the right of joint decision-making.
- The entitlement of the **managers of the Bank Group's subsidiaries** to variable remuneration and the extent of compensation shall be determined by the body exercising ownership rights, with the preliminary approval of the Remuneration Committee of OTP Bank Plc.

7. Principles and rules concerning the payment of variable remuneration

- Upon assessing the performance of the year evaluated ("T year"), the amount of performance-based remuneration is determined and broken down to the level of individuals. The amount of performance-based remuneration is determined in consideration of individual performance, as well as the ratio of fixed and variable compensation.
- As a general rule, performance-based variable remuneration shall be paid out in the form of a cash bonus and a share allowance granted at a discount, in a ratio of 50-50%.
- The number of shares per person that may be used as a share allowance granted at a discount must be determined on the basis of the quotient of the amount of share-based performance remuneration and the value of the share allowance granted with a discount in effect at the time of performance assessment.
- The value of share compensation granted at a discounted price in effect at the time of performance assessment must be determined on the basis of the average of the daily mean quoted price of the ordinary shares issued by OTP Bank, as registered by the Budapest Stock Exchange, on the three business days preceding the date of performance assessment.

² This index is calculated on the basis of the figures of Hungarian and foreign group members that were subject to consolidation throughout the entire economic year assessed.

- The share allowance granted at a discounted price may contain a maximum discount of HUF 2,000 at the time of performance assessment, and the profit content per share may amount to maximum HUF 4,000 at the time of vesting the share compensation. In respect of the year assessed, the specific content of the share allowance granted at a discounted rate shall be decided upon by the Supervisory Board of the Bank, within 30 days from the General Meeting closing the economic year evaluated.
- As a general rule, payment of 60% of the variable remuneration is staggered over a period of three years, during which period the deferred amount is determined annually in equal proportions.
- Entitlement to deferred payment shall be determined in consideration of the subsequent assessment of risks. The assessment of risks takes place, on the one hand, on the basis of criteria pertaining to prudent operations – that is, in consideration of the fulfilment of the requirements concerning an amount of capital that is in excess of the minimum guarantee capital specified in the Act, and ensuring operations without the need to take advantage of the deposit insurance fund – and, on the other hand, it is linked to the activities of the persons concerned. On the basis of the assessment of risks related to the activities of the persons concerned, deferred amounts may be reduced or clawed back in the case of a significant breach of the internal regulations, with special respect to those concerning risk management.

Entitlement to deferred amounts is linked to the subsequent assessment of risks and effective employment at the time of paying out the deferred amount. Any valid deviations from the above may only be authorised in respect of managing directors (CEO, deputy CEOs) by the Supervisory Board of OTP Bank Plc. In the case of exceptional performance, deviations may be permitted in respect of bank employees in management positions and heads of the subsidiaries, on the basis of a decision made by the Chairman & CEO of OTP Bank Plc.

- 50% of the first (non-deferred) share allowance granted at a discounted price shall be retained for a period of 1 year (entitlement will be awarded, but the compensation may actually be drawn in the draw-down period that follows the year in which the compensation was awarded).
- The Supervisory Board of OTP Bank Plc. is authorised to set the period for exercising the preferential share option at a maximum of two years, and to extend the specified period on one occasion by a maximum of two years, with the proviso that the entire draw-down period may not exceed two years.

At all the members of the Bank Group – in the absence of any mandatory provisions under national legislation to the contrary – the share-based portion of the variable remuneration is provided to the employees concerned by OTP Bank Plc.

The Supervisory Board of OTP Bank Plc., with the exception of matters placed under the authority of the General Meeting by law – is authorised to amend the Bank Group's Remuneration Policy.