These documents in English language to the person concerned shall be for information purposes only.
OTP Bank Plc shall fulfil its obligations imposed by the legal regulations or requirement of supervisory authority by the documents in Hungarian language.
In the event of any discrepancy between the English language and Hungarian language versions, the Hungarian language version shall prevail.

ANNEX B

TO THE INVESTMENT SERVICES BUSINESS REGULATIONS

Portfolio Management General Terms and Conditions

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I. Introductory provisions

1. In matters not covered by these General Terms and Conditions, the other provisions of the Business Regulations and the Bank's General Business Regulations shall prevail. Except as otherwise provided in these Portfolio Management GTC, the terms used herein shall have the same meaning as in the Business Regulations.

2. Except as otherwise provided in these Portfolio Management GTC, in the portfolio management contract or in any statement to that effect made by either Party to the other Party, the terms used in these Portfolio Management GTC or in such agreement or statement, whether capitalised or lower case, singular or plural, shall have the meanings ascribed to them in the Business Regulations.

II. Conditions for starting portfolio management

1. During portfolio management, the Bank shall:

    a) act in the best interests of the Client in accordance with the law and the rules of the profession,

    b) in all cases, put client interests first in the design, management of the portfolio, transactions etc.,

    c) act in accordance with the principle of equal treatment, both for each client and for each portfolio.

2. All of the following conditions must be met in order for the Bank to start portfolio management for the Client.

    a) The Parties have duly signed the portfolio management contract and the Annexes thereto, which are subject to these Portfolio Management GTC and which both parties are obliged to sign, and

    b) the Client has provided the Bank with the duly signed Annexes to the portfolio management contract, which are subject to these Portfolio Management GTC and which only the Client is obliged to sign, and

    c) the Client provides the Bank with the initial portfolio. The Parties agree that the Client shall provide the initial value of the portfolio in the amount of at least HUF 30,000,000. If the Client has more than one portfolio under management, the minimum starting value per portfolio is HUF 17,000,000.

    d) the Client has a suitability test, the category of which is in line with the Client's chosen portfolio, including if the Client has adjusted the suitability test in relation to their sustainability preferences.

3. Withdrawals from the investment portfolio (e.g. transfer of funds, translisting or transfer or securities) may be made taking into account that the value of the portfolio may not fall below HUF 25,000,000 or, in the case of several portfolios, below HUF 15,000,000 per

portfolio. If the value of the portfolio falls below HUF 25,000,000 or HUF 15,000,000 per portfolio in case of multiple portfolios, due to the withdrawal of assets, the Bank is entitled to request the Client in writing, within 3 (three) banking days, to replenish the portfolio(s) to such an extent that its value reaches HUF 25,000,000 or HUF 15,000,000 per portfolio in case of multiple portfolios. The Client must comply with this request and replenish the portfolio(s) up to this value within the time limit. If the Client fails to comply with the obligation to replenish the portfolio(s) within the time limit, despite the Bank's request, the Bank is entitled to terminate the contract with immediate effect.

4. The date of making available to the Bank the investible funds is the date on which the funds deposited or transferred by the Client are credited to the Payment Account or the Foreign Currency Account, depending on the currency.

5. The date on which the portfolio or the securities forming part of it are made available to the Bank is the date on which all of its elements are credited to the Client's Consolidated Securities Account.

III. General conditions for portfolio management

1. Instructions

   1.1. The Bank may select and change the portfolio elements subject to the risk levels specified by the Client and in accordance with the legislation and the portfolio management contract. In line with the content of portfolio management, the definition of risk levels does not explicitly imply that individual transactions executed by the Bank in its consideration require the individual approval of the Client.

   1.2. The mandate given by the Client in the portfolio management contract, when establishing the individual portfolio elements, also includes investing in foreign financial instruments denominated in foreign currency, in which case the necessary foreign currency cover is provided from the existing Investment Portfolio or by converting it, taking into account the Bank’s relevant regulations. By signing the portfolio management contract, the Client agrees that the Bank may use the Foreign Currency Accounts and the Payment Account for these transactions (including currency conversion).

   1.3. The Client acknowledges that any tax imposed by the state on any financial instrument or any portfolio element forming part of the portfolio and on the return thereof (including, in particular, but not limited to, tax on interest income) will reduce the Client's Investment Portfolio, and the payment (financial settlement) of the foregoing tax, by way of tax deduction by the paying agent, shall constitute a withdrawal of capital from the invested capital, which shall reduce the periodic average Investment Portfolio as set out in Chapter XI of these Portfolio Management GTC.

2. Information

   2.1. A portfolio management contract may only be entered into by a Client who:

a) has completed the suitability test;

b) for whom, according to the Business Regulations, the suitability test results in a suitable portfolio based on the Investment Strategy chosen, including if the Client adjusts the sustainability preference indicated in the suitability test in the portfolio management contract, provided that the Bank assesses the suitability of each transaction and financial instrument not only individually but also in relation to the impact of the Investment Strategy chosen as a whole, so that the entire portfolio must be considered suitable.

2.2. If the Client, a close relative, a person living in the same household as the Client, or a legal entity or other entity without legal personality with qualified influence of such persons, is considered to be an insider in relation to a particular entity, the Client shall indicate this fact in Annex 2 of the portfolio management contract. In this case, the Bank will set the insider rating, which may restrict the Individual Transaction for that Client for a given period. If the Individual Transaction has been executed, the Bank is obliged to inform the Client (or their representative) of the Individual Transaction concerning the security in question within 24 (twenty-four) hours.The Bank shall inform the Client, after the execution of the order, at least monthly, in a regular report on the status of the portfolio and any changes thereto, with the content as provided for in the Investment Firms Act and, if relevant, in the context of separate information, with the content specified in Article 62(1) of Commission Delegated Regulation (EU) 2017/565, in accordance with the Business Regulations. The Bank shall provide the Client with information on the financial instruments and funds held by the Client or to which the Client is entitled, managed under the portfolio management contract, on the returns for the relevant period, on the development of the Investment Portfolio, on transactions, market events, certain corporate actions, on fees and expenses incurred in connection with the management of the Portfolio, and on the assessment of the suitability of the Portfolio for the Client, in the context of the report provided herein.

2.4. Reporting and disclosure under EMIR, the Short Selling Regulation and MiFIR: the reporting, data supply and disclosure obligations under EMIR, the Short Selling Regulation and MiFIR in relation to the portfolio management service shall be fulfilled by the Bank. To this end, the Client is obliged to provide the Bank with the data necessary for the national identification code in the case of a natural person and the LEI code in the case of a non-natural person, in accordance with the other provisions of the Business Regulations.

2.5. The Bank shall also comply with its obligation to provide prior information in accordance with the portfolio management as set out in Article 47(2) to (3) of Commission Delegated Regulation (EU) 2017/565 in accordance with the provisions on prior information in the Business Regulations.

3. Authorisations

3.1. If, under the legislation, the execution of a given transaction requires the conclusion of a separate contract (e.g. securities lending), the Bank shall execute the transaction after the entry into force of such separate contract.

IV. Definition and modification of the scope of investment and relevant transactions, benchmark return, cost-benefit analysis

1. General provisions

    1.1. Prior to the conclusion of the portfolio management contract, the Bank shall inform the Client of the Investment Strategies that may be chosen on the basis of its suitability test, their terms, conditions, fees, costs, the financial instruments that may be included in the portfolio according to the chosen strategy, and the restrictions related to them, including the type of financial instruments that may be bought and sold during portfolio management, the type of transactions that may be executed, including any restrictions. At the beginning of each year, the Bank informs its existing Clients of the total expected costs of portfolio management for the following period (1 year) by sending the first monthly report.

    1.2. The Bank also carries out a target market analysis in accordance with the provisions of the Business Regulations. Assets outside the positive target market and assets in the negative target market may be part of the portfolio in order to ensure diversification resulting from the Investment Strategy. The Bank will identify in the monthly report those financial instruments that do not belong to the positive target market.

    1.3. The maximum weight of assets in the negative target market is reviewed annually by the Bank.

    1.4. The Client shall determine, subject to the suitability test completed by the Client and the Investment Strategy chosen, the types of financial instruments that the portfolio may consist of, including where the Client determines which contracts should not be covered by the portfolio management contract. The possible elements of the portfolio, as defined by the Client, are set out in Chapter XI of the present Portfolio Management GTC, with the appropriate application of the chosen Investment Strategy.

    1.5. The Client accepts the Bank's Execution and Allocation Policy and, on the basis of the provisions thereof, consents to the execution of executable transactions and orders by the Bank outside a trading venue in the course of the portfolio management service.

    1.6. By signing the portfolio management contract, the Client expressly authorises the Bank to purchase as part of the portfolio

        a) securities issued by the Bank and securities issued by the Bank's affiliates, and

        b) financial instruments issued by the Bank's affiliates.

    1.7. Prior to the conclusion of the portfolio management contract, the Bank shall inform the Client of the transactions that may be executed in relation to the chosen Investment Strategy and the restrictions affecting them.

1.8. The Client acknowledges that the chosen Investment Strategy may be selected or modified in such a way that it is considered suitable for the Client as a whole. On this basis, the Bank will assess the suitability of individual transactions and financial instruments not individually, but in relation to the Investment Strategy chosen as a whole and its impact on it, so that the entire portfolio should be considered suitable.

1.9. If the Client wishes to switch to an Investment Strategy other than the chosen Investment Strategy, which also allows the acquisition of a financial instrument or the conclusion of a transaction that could result in a lack of suitability for the portfolio, the Bank will invite the Client to complete a new suitability test in accordance with the Business Regulations. If the result of the suitability test indicates that the Investment Strategy chosen by the Client is suitable for them, the Bank agrees to modify the chosen Investment Strategy.

1.10. If the Client completes a new suitability test during the term of the portfolio management contract and the new test could result in a portfolio that is unsuitable for the implementation of the chosen Investment Strategy, the Client shall initiate a change to the chosen Investment Strategy. Notwithstanding the foregoing, the new answers to the sustainability preferences in the new suitability test completed by the Client will only be taken into account by the Bank for portfolio management contracts concluded after the completion of the new suitability test.

1.11. The Client may initiate the modification of the chosen Investment Strategy at any time with the Bank, with the understanding that any damage or loss resulting therefrom shall be borne solely by the Client.

1.12. In case of modification of the chosen Investment Strategy, the Client shall submit to the Bank all documents required for the modification, signed and if the modification of the chosen Investment Strategy entails a deposit requirement, other costs or fees that cannot be met from the portfolio, the Client shall provide the Bank with the corresponding amount of money, securities (additional money and financial assets). The Client expressly acknowledges that until the relevant documents have been submitted to the Bank and the additional funds and securities have been credited to the Client's account, the amendment will not enter into force.

1.13. The Client's communication shall contain in detail all relevant information concerning the amendment of the chosen Investment Strategy, and the Client acknowledges that the Bank is entitled to consider the content of the communication to contain all relevant information concerning the amendment.

1.14. The Client acknowledges that if the amendment to the chosen Investment Strategy requires a new suitability test, the amendment will only enter into force once the Bank has carried out the new suitability test and informed the Client of the – suitable – results of the new suitability test. The Client further acknowledges that if the Client changes the suitability test during the term of the portfolio management contract, this may prevent the implementation of the chosen Investment Strategy, if the portfolio corresponding to the chosen Investment Strategy would no longer be suitable for the Client based on the result of the changed suitability test. The Bank shall not be liable for any damages resulting therefrom.

1.15. The entry into force of the new Investment Strategy only applies to the start of the restructuring of the portfolio in accordance with the amendment, and the Bank does not set a deadline for the completion of the restructuring of the portfolio, as this is subject to market conditions.

1.16. Upon the entry into force of the Investment Strategy amendment, the application of the provisions of Chapter XII of these Portfolio Management GTC and, if the amendment requires the completion of a suitability test, the suitability test annexed to the portfolio management contract shall be automatically modified, so that the Bank shall be entitled, with the authorisation given by the Client by signing the portfolio management contract, to update the annex, while informing the Client at the same time.

1.17. The Client must notify the Bank of their request to amend the Investment Strategy at least two banking days prior to its planned entry into force, in accordance with these Portfolio Management GTC. The Client acknowledges that if the rule on the deadline for notification is not complied with and the parties agree to amend the Investment Strategy, the Bank shall be obliged to comply with the date indicated in the notification as the effective date of the amendment, to the extent that market conditions allow, and the Client shall bear all additional costs and damages resulting from the delay in notification.

1.18. The Client acknowledges that any change to the chosen Investment Strategy within the return-setting period may adversely affect the return of their portfolio and that any liability for loss of return, damage or loss shall be borne entirely by the Client.

1.19. If an amendment to the Investment Strategy results in a deposit obligation on the part of the Client, the Bank shall be entitled to fulfil the deposit obligation to the extent specified in the Business Regulations and the relevant announcement, at the expense of the portfolio.

2. Implementation of the Investment Strategy amendment

2.1. In the event of a change to the chosen Investment Strategy, the Bank is entitled, in accordance with the procedure and at the price set out in these Portfolio Management GTC, to liquidate the portfolio in whole or in part and to create a new portfolio in whole or in part corresponding to the change, to which the Client expressly consents by notifying the Bank of the change to the chosen Investment Strategy.

3. Settlement in case of change of Investment Strategy

3.1. In the event of a change to the Investment Strategy, as the benchmark return is also changed, the Bank will prepare an account for the day following the date of receipt of the change request signed by the Client and will also account for the pro rata brokerage fee and success fee.

4. Cost-benefit analysis

   4.1. In accordance with Article 54(11) of Commission Delegated Regulation (EU) 2017/565, portfolio managers shall carry out a cost-benefit analysis for all transactions that result in a switch between investments in portfolios. The analysis shall include an analysis of the total costs of the sale of any financial asset and, in contrast, a description of the benefits of the financial asset to be purchased.

V. Portfolio management objectives, risk levels, the Bank's discretion

1. Portfolio management aims to maximise the return, while respecting the level of risk that governs the Investment Strategy chosen by the Client. Within the framework of the risk levels and the provisions of the portfolio management contract, the Bank is free to decide on the changes to be made to the elements of the portfolio and the way in which they are to be implemented.

2. The level of risk is basically determined by the Client, by indicating the Investment Strategy chosen, which must be consistent with the result of the suitability test.

3. When selecting investments, the Bank must take into account the risk levels described above and the results of the suitability test.

VI. Investment policy

1. The investment policy applied by the Bank in portfolio management is reviewed on a monthly basis.

2. A summary description of the investment policy is set out in Chapter XIV of these Portfolio Management GTC.

3. The Bank does not provide capital protection or return protection to the Client.

4. The Client shall, after prior information, specify in the portfolio management contract the Investment Strategy to be followed by the Bank. The Client expressly acknowledges that the possible portfolio options, the level and calculation method of the engagement fee and success fee and, in this context, the Benchmark Return are determined in accordance with the chosen Investment Strategy. An amendment to the Investment Strategy requires an amendment to the portfolio management contract.

VII. The Bank's mandates for the performance of its tasks, allocation, principles applied in inter-portfolio transactions

1. The Client generally authorises the Bank, upon the entry into force and during the term of the portfolio management contract, to enter into contracts or unilateral declarations for

the acquisition, disposal of securities and other financial instruments, creation and/or transformation of the portfolio, to perform operations with funds, and to manage the Client's Consolidated Securities Account, Payment Account and Foreign Currency Accounts for the Client's account and at the Client's expense. On the basis of the general authorisation granted in the portfolio management contract, the Bank is also entitled to act as the Client's broker (to receive and transmit orders and execute orders for the Client's account) or to execute orders on its own account (trading on own account), and to conclude transactions between two portfolios.

2. The general mandate by the Client under Section VII.1 also includes the mandate to hold or keep the portfolio items in custody in the name and on behalf of the Client or for the benefit of the Client, to collect the return (interest, dividends) and the nominal value to be repaid at maturity, to collect repayments, to conclude contracts, to make declarations and to reinvest the amount to which the Client is entitled in this way.

3. The Client agrees that the Bank may, in the context of portfolio construction and portfolio management and termination (settlement) of the portfolio management contract, execute the contract to be concluded for the portfolio in combination with other orders or by splitting the individual portfolio elements. In all cases, the Bank shall act in accordance with the following allocation rules.

4. In the allocation process, the Bank applies the principle of equal treatment, which is based on the following substantive criteria:

   a) no discrimination (negative or positive) between clients and/or portfolios is allowed in the management of the portfolio,

   b) no reallocation of returns between clients is allowed,

   c) the same type of portfolios, depending on market opportunities (e.g. mortgage bonds that are in many portfolios are now only available with significantly worse terms or the market situation does not justify the full construction of the portfolio being launched) must be treated in the same way,

   d) when each order is given, it must be made clear which portfolio it relates to.

5. Principles applied in transactions between portfolios:

   a) if the Bank enters into a transaction directly between portfolios, the transaction must be concluded within the bilateral market making band available at the time of the transaction,

   b) the Bank must document the "status" of the current market quotation for its own records from the relevant market sources (ÁKK, Bloomberg, Reuters),

   c) the principle of equal treatment must be observed, and

   d) no distinction may be made between managed portfolios.

VIII. Termination of the portfolio management contract, settlement between the Parties

1. The portfolio management contract may be terminated by ordinary or extraordinary notice.

2. In the event of termination by ordinary notice, the Parties shall settle accounts on the date of expiry of the period of notice. The settlement date, for which the pro rata fixed and success fee is determined, is the day following receipt of the notice of termination.

3. The fixed brokerage fee is charged on a calendar quarterly basis or at portfolio closure (termination or change of strategy), while the success fee is payable annually for absolute return portfolios, every 3 (three) calendar years for strategic asset allocation portfolios, and at the end of each calendar year for other Investment Strategies in accordance with the announcement *"On the investment strategies that may be chosen in portfolio management and on the calculation of fees, returns and benchmark returns"* or the portfolio management contract (in the case of a portfolio management contract concluded during the year, 31 December of the first calendar year following the conclusion of the portfolio management contract shall be deemed to be the first anniversary) or, in the event of termination during the term, it is charged from the first day of the period in the case of absolute return portfolios and from the first day of the 3 (three) year period in the case of a strategic asset allocation strategy, at the time of settlement, unless the portfolio management contract provides otherwise.

4. In the event of extraordinary termination, the Parties shall settle accounts with each other on the 30th (thirtieth) day following the date of receipt of the notice of termination by the addressee, the settlement date being the day following the date of receipt of the notice of termination.

5. The Client acknowledges that the settlement between the Parties shall be effected, when due, by the transfer of the portfolio held by the Bank or, upon the Client's prior written request, by the closure of the portfolio (or part of it), as agreed by the Parties.

6. The portfolio will be closed within 30 (thirty) days of receipt of the notice of termination (settlement date is the day following receipt of the notice of termination). The Client acknowledges that they will be responsible for the costs of the closure, any loss of return and the consequences of the inability to complete the closure.

7. In the event of the death of a natural person Client, the portfolio management contract shall terminate without any further legal action on the date on which the Bank changes the status of the Consolidated Securities Account held for the Client to probate status, as provided for in the Business Regulations. The provision of a portfolio management service carried out between the date of the Client's death and the termination of the portfolio management contract shall be deemed to be the provision of a portfolio management service whereby the Bank has taken the urgent measures necessary to protect the interests and assets of the Client or their heirs after the Client's death and for which the Bank is entitled to the brokerage fee (fixed fee and success fee) set out in the portfolio management contract. The Parties stipulate that the Bank shall not be obliged to manage the portfolio after the termination of the portfolio management contract in the event of the Client's death.

8. The Client expressly agrees that, in the event of termination of the contract, the Bank may transfer the free foreign currency funds in the portfolio to the Client's foreign currency account in the relevant currency without conversion.

IX. Withdrawal of assets from the portfolio and placement of new assets

1. If the Client wishes to withdraw any assets from the portfolio, they must do so in writing, using the form provided by the Bank. If the Bank receives the instruction on a given day in a verifiable manner, the Bank shall execute the instruction on the day of the instruction, provided that in the case of an instruction equal to or exceeding 10% of the value of the current portfolio, the Bank shall have 5 (five) banking days to withdraw the necessary portfolio items.

2. The Client may increase the amount deposited in the portfolio by means of an instruction sent to the Bank. The transferred asset may be any asset that the Bank may accept at the time of the conclusion of the portfolio management contract. In this case, the new assets are also part of the portfolio, so the Bank invests them in accordance with the Investment Strategy and the Model Portfolios.

3. Withdrawals from and deposits to the account will modify the calculation of the return in accordance with the provisions of Chapter XV of these Portfolio Management GTC.

4. The Bank shall have an additional 15 (fifteen) days after the conclusion of the contract or the withdrawal or inclusion of the portfolio to build a portfolio in accordance with the risk levels set out in the portfolio management contract.

5. The natural person Client shall be entitled to authorise in the portfolio management contract a person authorised to have control over the Client's Consolidated Securities Account who, acting in their name and on their behalf, shall be authorised to withdraw assets from the portfolio and to include funds or financial instruments in the portfolio only.

X. Amendment of the contract and references

1. The Bank may unilaterally amend the Portfolio Management GTC and other terms and conditions of the portfolio management contract in the cases specified in the Business Regulations.

XI. Possible portfolio components and benchmarks (reference indices)

1. Based on the Client's decision and disposition, in addition to the designated Investment Strategy, the portfolio may only contain the financial instruments designated in the Investment Strategy as the type of financial instruments that may be bought and sold in the case of the portfolio management service.

2. The Bank does not impose any restrictions on the types of transactions that may be carried out on behalf of the Client.

3. The Bank does not define a prohibited instrument or prohibited transaction for the portfolio management service beyond the legal requirements.

4. The Bank is obliged to comply with the relevant risk levels in portfolio management.

5. A financial instrument with a negative target market may form part of the portfolio in the cases set out in these Portfolio Management GTC.

6. The standard Investment Strategies, the possible portfolio components and the benchmarks that the Client may choose are set out in the Bank's announcement *"On the investment strategies that may be chosen in portfolio management and on the calculation of fees, returns and benchmark returns"*.

7. The Bank may, at its discretion, also agree with the Client in the portfolio management contract on an Individual Investment Strategy containing rules different from those set out in the above announcement. If the Bank and the Client agree on an Individual Investment Strategy, the possible portfolio elements and benchmarks shall be set out in the portfolio management contract.

XII. Rules for calculating the asset value of the Portfolio

1. The asset value of the portfolio should be determined on the basis of the most up-to-date market price information. The market value of the portfolios shall be determined for each banking day and, if the last day of the quarter falls on a public holiday, also for that day.

2. Valuation of the portfolio's assets

   a) Hungarian government fixed rate bonds and Discount Treasury Bills with a remaining maturity of more than 3 (three) months are valued at the gross price calculated based on the mean value of their best bid-ask spreads as published by the Government Debt Management Agency (ÁKK) on a given day in the primary dealer quotation. If the primary dealers do not quote a price for a fixed-interest government bond or Discount Treasury Bill on a given day, then these securities shall be valued based on the mean value of their best bid-ask spreads last published by the primary dealers, at their gross price calculated for the given day. If the primary dealers have not yet quoted a price for the government security in question, then it shall be valued at the gross price calculated for the given day based on its return at the time of purchase.

   b) Variable-interest Hungarian Government Bonds with a remaining maturity of more than 3 (three) months are valued by adding up the mean value of their best bid and ask net price published in the context of primary dealer quotation on the given day and the pro rata interest accrued up until the given day. If the primary dealers do not quote a price for a variable-interest government bond on the given day, then these securities shall be valued at their best net bid and ask price last quoted by the primary dealers plus the interest accrued up until the given day. If the primary dealers have not yet quoted a price for the government security in question, then it shall be valued at its net purchase price plus the interest accrued up until the given day.

c) In the case of retail government securities that can only be traded in the retail market (e.g. PMÁK, BMÁK, 1MÁP) and are not priced directly by primary dealers to ÁKK: the last net market price used in transactions between counterparties plus accrued interest to the date of the transaction or (if none) the net price at the time of purchase plus accrued interest to the date of the transaction.

d) Bonds and discount bills issued by the MNB with a remaining maturity over 3 (three) months shall be valued, in the absence of their publicly accessible closing price on the given day, based on the return linearly calculated from the benchmark returns quoted by the Government Debt Management Agency (ÁKK) on the given day or the last benchmark returns and from their remaining maturity, at their gross price calculated for the given day.

e) Hungarian government securities with a residual maturity of three (3) months or less, as well as bonds and discount bills with a residual maturity of three (3) months or less issued by the MNB are valued at the gross exchange rate calculated for the given day on the basis of the 3 (three) months benchmark return of the ÁKK on the given day (or the last). In the case of bonds with a maturity of less than 3 (three) months, the gross price for the given day is calculated by converting the ÁKK benchmark return for the given day to a bond-equivalent return.

f) Except for the above, the market value of fixed, convertible, perpetual or floating rate instruments or mortgage bonds sold by any financial institution, economic operator, state or municipality in a public or private placement is the gross market value of the average of the net bid and ask prices of the current day (or the most recent price quotation (published on Bloomberg or Reuters screens or by other reliable data providers), but not older than 10 (ten) days) for the given day. If primary dealers have not yet quoted a price for the bond (or the quotation is more than 10 (ten) days old), the valuation is based on the gross price for the day based on the last quoted price for the last trade in the case of a listed security, or on the gross value for the day based on the yield at the time of purchase in the case of an unlisted bond. If there is no last trade, the purchase price should be used. If not listed, the valuation is based on the net price at the time of purchase plus accrued interest. In the case of a zero-coupon bond, in the absence of a closing price on the stock exchange, the bond is valued at its gross value calculated at the yield at the time of purchase on a given day.

g) Shares, certificates and ETFs admitted to trading on BSE are valued at the last closing price available on the date of the market value calculation. If a given share, certificate or ETF has not been traded since its initial offering on the stock exchange, it shall be valued at purchase price. Foreign equities, certificates and ETFs are valued at the latest closing price available on a given day at the time the market value is calculated. The pricing of foreign shares, certificates and ETFs is based on the closing price in the primary market for the trading of the relevant share/certificate/ETF. If a given share or ETF/certificate has not been traded since its initial offering on the stock exchange, the share or the ETF/certificate shall be valued at purchase price. Equities not listed on the Hungarian stock exchange shall be valued at their weighted average OTC price published on the website of the stock exchange/BSE, if the prices available are not older then 10 (ten) days. In the case of the OTC trading of a share/certificate/ETF not listed on a foreign stock exchange, the last strike price available from Bloomberg shall be used for valuation. If this method is not applicable, the lower of the last OTC price or the purchase price should be taken into account, regardless of its date.

h) Units of open-ended funds are valued at the net asset value per 1 (one) unit as last published by the fund manager.

i) The fund units of closed-end investment funds shall be valued as follows:

ia) if there are quotes for the units of the specific closed-end investment fund, they are valued at the mean value of the given day bid-ask quote;

ib) if there are no quotes for the units of the specific closed-end investment fund, they are valued at the last net asset value per unit.

ic) If the above price is not available, the price at the time of purchase shall apply.

id) For closed-end funds listed on a stock exchange, the last stock exchange price is the basis for valuation.

j) In the case of foreign debt securities that are traded continuously (without interruption in time) and whose closing prices cannot therefore be clearly determined, the net or last available closing prices for the day, adjusted for interest accrued up to T days, as recorded in a major international news agency database (Bloomberg, Reuters), are used.

k) In the case of foreign currency denominated assets, the applicable exchange rate is the latest MNB central rate for the most recent day.

l) When valuing *deliverable repo agreements*, the spot and the forward legs shall be taken into consideration simultaneously as follows:

m) *spot purchase – forward sale*: the security purchased shall be included in the net asset value at market price, and the bid price plus the T-day pro rata spread between the ask price and the bid price minus the T-day market price of the security purchased shall be added to the receivables of the Fund.

n) *spot sale – forward purchase:* the security sold shall be removed from the net asset value, and the ask price plus the T-day pro rata spread between the bid price and the ask price minus the T-day market value of the security sold shall be added to liabilities.

XIII. Allocation rules

1. General rules

1.1. In addition to these provisions, the principles of the Execution and Allocation Policy shall also apply to the portfolio management allocation rules (to the extent not inconsistent with these allocation rules).

1.2. The Bank shall merge orders given by Clients for execution on its own account only if

a) no Client whose order is merged with another Client's order is disadvantaged as a result,

b) and it has drawn the attention of all Clients whose order is merged with another Client's order to the fact that the merger may result in disadvantageous execution of individual orders in the case of multiple orders given by one Client.

1.3. If the Bank combines the Client's order with a transaction to be executed on the Bank's own account and the transaction is only partially executed, the Bank will give preference in the allocation to the transaction based on the Client's order.

1.4. Each securities transaction will be allocated by the Bank between the portfolios on the trade date in accordance with the following allocation rules, in full compliance with the principles of equality of treatment and cost-efficiency:

a) In compliance with the principle of equal treatment at all times, any discrimination in the allocation of portfolios that would give the Bank a deliberate advantage or disadvantage (by which is meant the performance of the portfolios in relation to their benchmarks) in relation to other portfolios managed by the Bank is prohibited. In particular, it is prohibited to take into account in the allocation any differences in the Bank's remuneration structure towards individual Clients (e.g. success fee vs. fixed fee), the level of fees paid by Clients or any other differences in priorities.

b) The principle of cost-effectiveness is applied in cases where the amount of securities allocated to each portfolio on the basis of the above allocation principles would result in an excessive specific cost for each portfolio, taking into account the cost of executing transactions. In this case, the Bank may decide to modify the amount of securities allocated to each portfolio on a case-by-case basis (by increasing the allocated amount to a cost-effective level, excluding certain portfolios from the transaction, etc.) in order to ensure cost-efficient investment activity.

2. Types of algorithms that can be followed during allocation:

2.1. Wealth-proportional allocation

The key principle is wealth-proportional allocation between portfolios. This means that in an aggregate securities transaction, the exchange value of the transactions attributable to each portfolio is determined as a proportion of the capital size of the portfolios involved in the aggregate transactions. Asset allocation can be applied in its pure form for Clients where the investment policy and the benchmarks used to measure performance are the same. However, even then, it is not a given that the portfolios of these clients will have perfectly identical composition at all times, as different timing of external capital movements will generate differences.

2.2. Allocation to reduce deviation from the Model Portfolio

In practice, portfolios have different strategic asset allocations (target weights of asset classes, with minimum/maximum levels around them) according to their investment policy, strategic asset allocation or absolute return strategy, and, within asset classes, Model Portfolios. Accordingly, for each portfolio, it can be determined how much surplus/deficit (in percentage of the portfolio, in price value or number of units) of a given security occurs at a given point in time compared to the neutral position currently targeted as optimal, and how much (in percentage of the portfolio, in price value or number of units) can be bought/sold to reach this neutral position. The allocation that reduces the deviation from the Model Portfolio is intended to reduce or liquidate the differences as a percentage of the portfolios. In order to achieve the given objectives for a given security, i.e. to close the gap between the existing and the required amount in the portfolio, different amounts are allocated to each portfolio. The Model Portfolios are examined in relation to Model Portfolios based on the same Investment Strategy, i.e. following a strategic asset allocation or an absolute return strategy.

2.3. Allocation in proportion to existing stock

Allocation in proportion to existing stock takes effect when a decision is made to sell a security outright. Then, if a transaction can be used to liquidate in one step, the allocation is made in proportion to the current stocks in each portfolio.

2.4. Allocation in proportion to free cash

Allocation in proportion to free cash (closing positive positions) applies when free funds (e.g. capital contributions, securities sales transactions, payments from any maturity of assets in the portfolio, etc.) are temporarily invested in securities typically included in money market instruments. In this case, irrespective of the size of the portfolios and the current asset allocations, all or part of the free cash is invested in securities and instruments that are part of the money market instruments (e.g. government and corporate bonds with short residual maturities, repos, deposits, etc.).

2.5. Allocation by asset class

The allocation of the order is allocated in proportion to the fixed income/equity in the portfolios.

2.6. Allocation by weight of other assets

If an asset is bought that is not in the portfolio, it is possible to allocate it in proportion to other assets in the portfolio.

2.7. Manual allocation

In some cases (e.g. if a Client changes the proportions of their portfolio, withdraws money, needs to rebalance their portfolio and the other portfolios are not affected) only a specified part of the portfolios is involved in the transaction and therefore in the allocation. The allocation will be carried out on a non discriminatory basis, with the support of the available technical background.

2.8. Allocation in proportion to liquid assets

The total value of securities – or a group of securities – or free money denominated in the currency of the security to be allocated, that can be monetised during the day T in the portfolio. Typically, this is done when buying short-term, liquid government bonds (e.g. DKJ, KKJ).

2.9. Allocation in proportion to negative cash balance

A temporary negative cash balance may arise in the portfolio as a result of a security purchase/charge/ withdrawal or other reason. In this case, transactions aimed at eliminating negative balances (e.g. sale of securities, currency conversion) can be allocated between portfolios in proportion to the negative cash balances.

2.10. Allocation across corporate client portfolios

The above allocation methods justify the creation of a different Model Portfolio for certain client groups due to the availability of securities to be purchased. One such group of clients is corporate clients, which are not eligible to purchase, for example, retail government securities. For this reason, in the case of corporate portfolios, the above allocation principles can be interpreted in a restricted way, and vice versa, when allocating to retail portfolios, it is not always necessary to include corporate clients in the allocation. The Bank applies the principle of equal treatment when allocating between corporate portfolios.

XIV. Summary of the Investment Policy

1. The investment policy is formulated and regularly reviewed by the Bank.

2. The investment policy must be consistent with the Investment Strategy chosen by the Client, the risk levels and the suitability test results, as well as with the legal requirements, including the provisions on product governance. In making the decisions, the Bank designs and manages portfolios on the basis of the Model Portfolios or the allocation principles set out in Chapter XIII.

3. In strategic asset allocation, the Bank takes into account the benchmark and its composition when formulating its strategy. For absolute return strategies, the Bank aims to develop a strategy that outperforms the short-term government bond index.

4. If, as a result of market exchange rate fluctuations, the volume of assets in the portfolio exceeds the predetermined limit, the portfolio must be reduced by at least the value of the limit 14 (fourteen) days after the limit has been reached.

5. The Bank executes investments through credit institutions and/or investment firms or investment fund managers.

6. Within the limits set out in the portfolio management contract, the Bank is entitled to decide on investment activities at its own discretion.

7. For fixed income investments, there is an increased emphasis on safety, so the focus is on fixed income investments with a liquid market.

8. The part of the portfolio other than the fixed income portfolio consists mainly of domestic and foreign investment funds marketed by the Bank and securities traded on domestic and international stock exchanges (regulated markets). The Bank selects individual stocks on the basis of fundamental and technical analysis. The Bank will use, where possible, a specific stock valuation (DCF or EVA) method or the results of industry comparisons to determine the target price.

XV. Determining the calculation of the fee, the return and the benchmark return

1. The Bank's fees for the portfolio management service and the calculation of the return and the benchmark return are set out in the Bank's announcement *“On the investment strategies that may be chosen in portfolio management and on the calculation of fees, returns and benchmark returns”*