

# Sanctions Policy of OTP Group

(Policy on compliance with sanctions provisions)

## **SANCTIONS POLICY OF OTP GROUP (POLICY ON COMPLIANCE WITH SANCTIONS PROVISIONS)**

### **Introduction**

OTP Group applies a sanctions compliance policy aiming to ensure compliance with applicable economic, financial and trade sanctions laws, regulations and embargo provisions imposed by the European Union, the United Nations Security Council, the competent authority of the United Kingdom and the government of the United States of America. In terms of complying with sanctions and restrictive measures OTP Group takes into account local laws, and the given Group Member considers the national sanctions provisions applicable to it.

### **Group Sanction Compliance Policy**

OTP Group has a Sanctions Compliance Policy and implemented sanctions procedures that define the minimum standards for OTP Bank Plc. and its subsidiaries concerned. These are designed to ensure that Group Members comply with the obligations applicable to them and the principles set out in the Sanctions Compliance Policy of OTP Group. They follow, among others, the standards and procedures listed below:

- Screening of customers and transactions: Screening of customers and transactions against at least, but not limited to, the sanction lists of the European Union, the United Nations, the United Kingdom and the United States of America or in case of a particular Group Member, the national list of persons subject to asset freeze.
- Prohibiting or restricting business activities: Prohibiting or restricting business activities, the provision of financial and investment products or services, or the facilitation of transactions that may violate the applicable sanctions laws and regulations. The additional purpose of the prohibitions is also to prevent any involvement in transactions and business conducts that could be aimed at circumventing or avoiding directly or indirectly the applicable sanctions.

Restrictions may prohibit - among others - business activity with sanctioned individuals or entities, or any activity directly or indirectly involving countries or territories subject to comprehensive sanctions (including Cuba, Iran, North Korea, and Syria, non-government-controlled areas of Ukraine: the Crimea, Donetsk, Kherson, Luhansk and Zaporizhzhia provinces (also considering possible changes over time)).

- Risk appetite: OTP Bank Plc. and its subsidiaries concerned may in their sole discretion refuse to provide financial and investment products or services or facilitate transactions even if they are permitted by applicable sanctions laws and regulations but the activity would not be in line with OTP Banking Group's Sanctions Compliance Policy or risk appetite.

OTP Group applies appropriate internal rules for the assessment of all relevant client and transaction concerned, whereby compliance with applicable sanctions laws and its Sanctions Compliance Policy may result in delays to the processing of customer transactions.

In addition to that, correspondent banks involved in the transaction also have the right to suspend any transaction if it is contrary to their own policy or if their screening system indicates that it may violate sanctions. OTP Bank Plc and its subsidiaries concerned act only as intermediaries between the client and the correspondent bank and have no influence on the outcome of the investigations carried out by its correspondent banking partners.