

**Statement of OTP Bank Plc  
on the independence of board members**

OTP Bank Plc. ("**The Bank**") considers it essential for efficient and transparent operation, and for maintaining and strengthening the confidence of investors in the company, that an impartial, objective decision-making is ensured in the bodies. In addition to the professional skills of its members, the Bank also monitors and takes into account compliance with independence criteria. The involvement of independent members in the proceedings helps to ensure that bodies are not influenced by circumstances that may conflict with their duties, so that decisions can be taken in the strategic interests of the shareholders and the Bank.

**With regard to the independence criteria** applicable to the members of the Board, **the Bank considers the relevant provisions of Act V of 2013 on the Civil Code to be applicable.** For this purpose, a board member shall be considered independent who:

- has no legal relationship with OTP Bank Plc. other than its board membership, including the employee relationship, or five years have elapsed since the termination of this legal relationship;
- does not engage in any professional or other assignment for or for the benefit of OTP Bank Plc. or its senior officers;
- is not a shareholder of OTP Bank Plc. who holds, directly or indirectly, at least thirty percent of the voting rights and is not a close relative or partner of such person;
- is not a close relative or partner of a non-independent senior executive or senior employee of OTP Bank Plc.;
- in case of profitable operation of OTP Bank Plc., it is not entitled to any financial compensation based on its corporate membership, or receives no remuneration from OTP Bank Plc. or its affiliated company in addition to the membership fee;
- does not have a legal relationship with another non-independent member of OTP Bank Plc. under which the non-independent member has the right of management and control;
- is not an independent auditor, employee or partner of OTP Bank Plc. or three years have elapsed since the termination of this legal relationship;
- is not an executive officer or a senior executive officer of a company whose independent board member is also a senior executive of OTP Bank Plc.

Based on the dual governance structure of the Bank, the Supervisory Board has a supervisory role, while the Board of Directors has an executive function. Thus, in accordance with the legal requirements, **the composition of the Supervisory Board fully complies with the principle of the majority of independent members** (4 out of 6 members of the Supervisory Board meet the criteria of independence).

The Board of Directors plays an executive role in the management of the Bank. Consistent with this, and encouraging the successful operation, the members of the Board of Directors have a personal interest in the effective operation of the Company. Thus, members of the Board of Directors participate in the stock option program approved by the General Meeting. However, for this reason they may not fully meet the above independence criteria. Given that the Board of Directors also plays an important role in overseeing the work of management, it is significant that **the Board of Directors applies the principle of a majority of external members** (7 of the 10 members are external members).

This statement reflects the status as of December 31, 2019.